

# Gender Pay Gap Report

*2018*

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## **Introduction from** **Simon Forster,** **Selfridges** **Managing Director**



We opened our doors to the world for the very first time in 1909, realising Harry Gordon Selfridges' vision of creating a department store where 'everyone is welcome'. In 2019, the same ethos of fairness, inclusivity and equality continues to guide us and has never been stronger.

Building a culture where people can thrive, grow and realise their potential is a big part of our agenda at Selfridges. It's written into our Selfridges Strategy and we call it 'Inspiring People and Enabling Success'. Gender Pay is an important measure of this and we welcome the opportunity to shine the spotlight on our business again this year.

We are making progress through a number of short and longer term commitments, and this work very much continues, building on initiatives like our new Retail Apprenticeship Programme, our membership of the Tech Talent Charter – an organisation aimed at improving the levels of diversity within Technology – or through our focus on team member communities and wellbeing.

This year, we are introducing new tools, policies and ways of working that deliver a truly modern workplace for all our people. With lifestyles changing, we know we need to evolve our business so that we can enable and support our teams to work more flexibly.

We will continue to create new avenues for personal growth and development, while strengthening existing routes, so that we can further accelerate the trend we are seeing in our business of greater numbers of women participating in leadership programmes and being promoted into senior positions.

Our Selfridges team member communities and the launch of new digital communications and collaboration tools are also helping to break down barriers, encourage knowledge sharing and bring our business closer together.

I know there is a huge amount of will and determination, not least from the leadership team, to do even more to make Selfridges an extraordinary place to work, learn and grow for all our people.

We look forward to delivering on this ambition in 2019 and beyond.

A handwritten signature in black ink, appearing to read 'S. Forster'. The signature is fluid and cursive.

Simon Forster, Selfridges Managing Director

“Building a culture where people can *thrive*, *grow* and *realise their potential* is a big part of our agenda at Selfridges.”

Simon Forster

## Who we are



Selfridges, a world renowned department store, is part of the Selfridges Group, and provides leading luxury shopping experiences for our customers around the world. The Group comprises Selfridges in the UK, Brown Thomas and Arnotts in Ireland, Holt Renfrew in Canada and de Bijenkorf in the Netherlands.

- 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

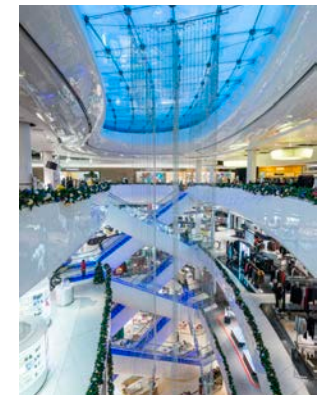
We own customer experience

We share our knowledge

We show respect

We take responsibility and deliver

We lead and inspire



## What is a gender pay gap?

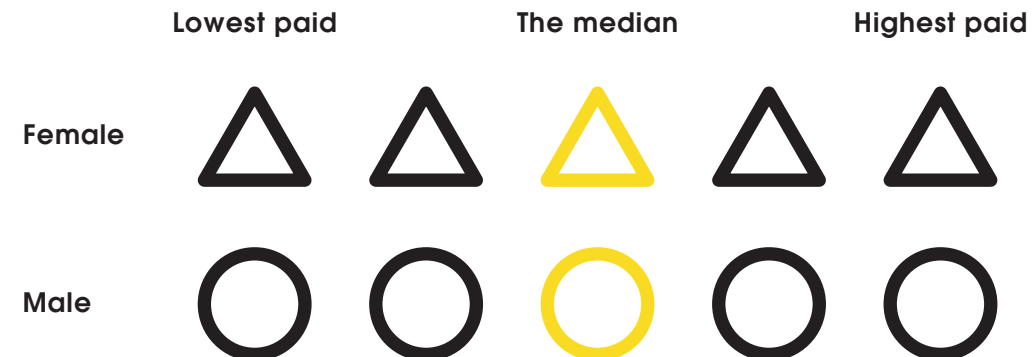
The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation. Gender pay gaps often exist because different jobs have different levels of pay and the number of men and women in these jobs varies.

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.

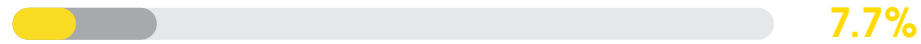


# Our results

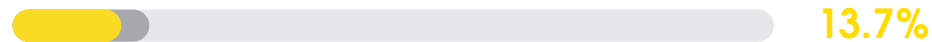
63% of our team members are female. This is above the UK Retail average where nearly 58% are female. Our Sales Associate population makes up the largest proportion of roles at Selfridges, and this group of team members is overwhelmingly made up of women.

## Overall gender pay gap

### Median pay gap



### Mean pay gap



■ Selfridges (Incl. Selfridges Group)  
■ Represents national average

We are pleased to see a 0.5% decrease in our Gender Pay Gap from 2017. At 7.7% Median (middle) and 13.7% Mean (average) our Gender Pay Gap remains lower than the national average of 17.9% Median and 17.1% Mean.\*

## Gender pay gap by quartile

Pay quartiles represent four different salary bands, going from lowest to highest. All team members are divided equally into one of the four quartiles. The percentages shown highlight the balance of men and women in each quartile.

### Quartile 1



**66% female**  
**34% male**

### Quartile 2



**66% female**  
**34% male**

### Quartile 3



**56% female**  
**44% male**

### Quartile 4



**60% female**  
**40% male**

- We are pleased to see progress in the distribution of talent across our quartiles, with more female talent moving into the higher quartiles.
- In Quartile 4 we have seen a 5% increase in women versus 2017 which has been supported by our ongoing focus on talent discussions, development and promotions.
- We still have almost double the amount of women to men in Quartile 1, which is predominantly our Sales Associates – our largest team member population.

\* based on estimates from ASHE Survey 2018



## Team members receiving bonus

### Female



### Male



All of our team members receive bonus or commission payments. The difference in the percentage of team members receiving bonus is due to the timing of team members joining and leaving the business over the year, impacting their eligibility for the schemes.

## Gender bonus gap

	Median (middle)	Mean (average)
<b>Part-time &amp; full-time team members*</b> (excl. Selfridges Group)	<b>12.2%</b>	<b>7.4%</b>
<b>Full-time team members</b> (incl. Selfridges Group)	<b>35.8%</b>	<b>33.4%</b>

Our Mean (average) bonus gap has reduced, but we have seen our Median (middle) bonus gap increase.

When including part-time team members and excluding Selfridges Group team members in the data, the Gender Bonus Gap is considerably lower. This is due to four factors:

- The high percentage of women who work part-time with us, resulting in a lower pro-rata bonus payment
- The figures in row two are inclusive of team members and executives based in London who work for our parent company, Selfridges Group, who receive salaries and bonuses that reflect their global responsibilities
- A higher percentage of women joining Selfridges who, due to start dates, were not eligible for bonus in 2018 or a pro-rata bonus at that time
- The number of women in lower-paid roles who therefore received a smaller proportion of bonus

\*These calculations for gender bonus represent like-for-like hours that all Selfridges team members work. The figures in this row also exclude team members and executives based in London who work for Selfridges Group.



# Reducing *the gap*

We want to create and maintain a culture that puts people first, that's inclusive, fair, and as our company purpose states, where 'everyone is welcome'. We are committed to further reducing our Gender Pay Gap and building on our 2018 initiatives with three key areas of focus – Recruitment & Promotions, Learning & Development, and Communities & Communication.



## Recruitment and promotions

How our recruitment and promotion processes are helping reduce the gap



In May 2018 we launched a new careers portal to make it simpler for team members and external candidates to apply for opportunities. As a result, we've seen a significant increase in applications and between May 2018 and January 2019, 70% of applications were from women. In terms of appointments made, 70% were women.

60% of our external senior management hires were men in 2018. This is something we will continue to review this year as part of our commitment to ensuring our recruitment processes are fair and inclusive.

Of those team members identified as high potential, 71% of those promoted in 2018 were female. In 2019 we will be spotlighting and celebrating female leaders in our business, sharing what it's like to work at Selfridges and in specific functions, as we look to support and attract more female talent.

We are seeking to increase the number of women shortlisted for roles. We have already launched new guidance for managers on recruiting and we will be doing even more work with our senior managers later this year.

In 2018, we became the first fashion retailer and department store to join the Tech Talent Charter, helping develop our proactive strategy to increase the number of women in STEM (Science, Technology, Engineering and Mathematics) based roles.



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*“I'm encouraged to see Selfridges being proactive and focusing on improving the number of women in STEM related roles. Being part of the Women in Tech & Digital community is my own way of helping to contribute to that commitment.”*

**Nicola Copping, Editor-in-Chief**

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## Learning and development

How we're creating clearer routes for development



78% of those taking part in our retail apprenticeship programme are women.

This programme launched last year and aims to give team members working in store more opportunities for promotion.

73% of those on our management development programmes are women, and we're continuing to support even more development opportunities in 2019.

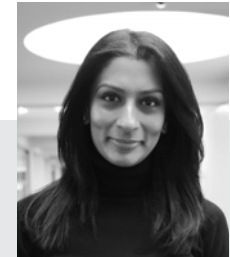
With almost double the number of women in entry level roles (Quartile 1), we are actively promoting our management development programmes to our Sales Associates through our internal communications and careers events.

Last April, we held a week-long programme of career talks and workshops across all Selfridges locations, with many of the sessions led by inspiring female leaders who gave advice on identifying future career paths and development opportunities. Over 3,000 team members attended these sessions.

In 2019, we will give managers more visibility of their people data, helping to highlight the gender balance in teams. We will also focus on how regular career conversations and open discussions on flexible working can help develop and retain talent.



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*“Flexible working patterns only work when both managers and employees fully understand each other's needs as well as the needs of the business. Selfridges encourages and supports flexibility, which in turn allows me to further excel in my career.”*

**Amrita Purewal, Senior Project Manager**

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## **Communities and communication**

**How our communities are driving positive change**



From Values Ambassadors who encourage everyone to live and champion our Selfridges Values, to Green Warriors and our Buying Better Network who help to fly the flag for sustainability; our communities allow team members to champion the causes they care about.

In 2018 we introduced a new Women in Tech and Digital Community. This community is passionate about inspiring more young people to consider a career in STEM subjects and a few community members recently used their Selfridges Volunteering Day to spend some time in a local school to share their experiences.

In our stores we will be introducing a new digital scheduling system, giving team members greater and earlier visibility of when they are working. It means we can explore alternative shift patterns and start and finish times to reflect different lifestyles, plus it will also make shift swapping and booking holiday easier.

Our new communications platform, Yammer, provides a place where team members can connect, collaborate and share ideas wherever they are. This year, we will be rolling out more digital tools to our team members, helping them to break down silos in our business and work more flexibly.

Our Working Parent Community (which is already posting on Yammer) is helping to inform how we can retain and develop new parents at Selfridges, with a focus on opportunities for flexible working. In line with this, we have also launched career coaching sessions and career counselling for new parents (part of our team member assistance programme), helping to make returning to work as easy as can be.

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*“With the launch of Yammer, we now have the opportunity to connect all Selfridges team members so we can share our passions, curiosities and expertise with each other. This has led to many new Selfridges communities such as ‘The Working Parents Network’ – the platform allows people to arrange meet ups, social events and to share knowledge.”*

**Helena Cowan,  
Yammer Community Manager**



“In 2019, the Selfridges ethos of fairness, inclusivity and equality continues to guide us and has never been stronger.”

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



Simon Forster, Selfridges Managing Director

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**SELFRIDGES**&C<sup>o</sup>