

Gender Pay Gap Report

2019

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**Reducing
the gap**

Introduction from Anne Pitcher, Selfridges Group Managing Director



"People will sit up and take notice of you if you will sit up and take notice of what makes them sit up and take notice."

This quote from our founder, Harry Gordon Selfridge, is as true for our team members as it is our customers.

Listening to our teams, understanding what motivates them, and creating an environment where everyone can be themselves is something we care passionately about at Selfridges.

We are a family business and just like a family we are all different. We are a community of people with different backgrounds, passions and interests; the combination of which makes our business richer. We celebrate our diversity and we understand that it makes us stronger.

Gender pay is one of the many metrics we look at to ensure Selfridges remains an incredible place to work and grow your career, whoever you are and wherever you come from. It is why we continue to drive a series of people initiatives as part of our Selfridges Strategy to create an even more inclusive and fair culture.

There is lots we can be proud of in the past year, from growing the number of women participating in our development programmes to launching new modern workplace tools – enabling easier flexible working, to introducing Sabbatical Leave. However, we know there is much more to do as we build a strong, diverse and sustainable business for the future.

Through a combination of short and longer-term initiatives, ongoing monitoring and a collective focus and determination from every corner of our organisation, we are committed to making a positive difference and closing the gender pay gap.

We would not be where we are today without our amazing people and we will do everything we can to nurture them, support their ambitions and ensure Selfridges continues to be a place to grow.

A handwritten signature in black ink, reading "Anne Pitcher". The signature is fluid and cursive, with a long horizontal line extending from the end.

Anne Pitcher

“Listening to our teams, understanding what motivates them, and creating an environment where everyone can be themselves is something we care passionately about at Selfridges.”

Anne Pitcher

Selfridges Group Managing Director

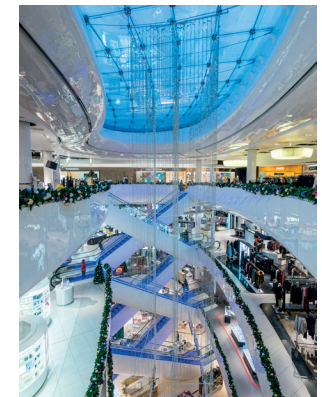
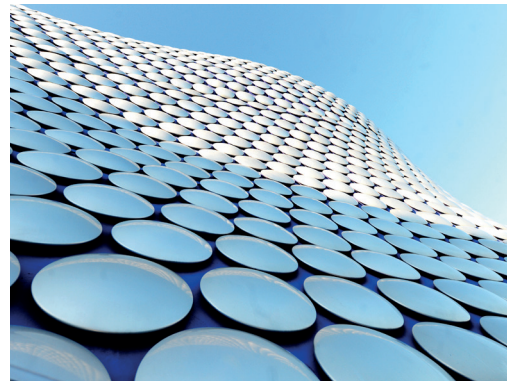
Who we are



Selfridges, a world-renowned department store, is part of the Selfridges Group, which provides extraordinary shopping experiences for millions of customers around the world. The Group consists of five iconic brands: Selfridges in the UK, Brown Thomas and Arnotts in Ireland, Holt Renfrew in Canada, and de Bijenkorf in the Netherlands.

- Selfridges employs around 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 131 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.

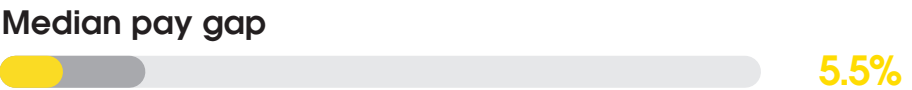


Our results

The gender profile of our workforce has remained the same this year - 63% of our team members are female and 64% of retail leadership roles are filled by women.

Our Sales Associate population continues to make up the largest proportion of roles at Selfridges, and more than two thirds of this group of team members is made up of women.

Overall gender pay gap



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

We are pleased to report that our Median (middle) pay gap has reduced this year. Our 2019 Median (middle) pay gap has fallen by 2.2% to 5.5% which is significantly lower than the national average of 17.3% Median.* Our Mean (average) pay gap has widened this year.

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.

	<u>Quartile 1</u>	<u>Quartile 2</u>	<u>Quartile 3</u>	<u>Quartile 4</u>
<u>2019</u>	69% female 31% male	63% female 37% male	59% female 41% male	60% female 40% male
<u>2018</u>	66% female 34% male	66% female 34% male	56% female 44% male	60% female 40% male

We are pleased to see some progress in the distribution of talent across our quartiles again this year, with more female talent moving into the second highest quartile.

- In Quartile 3 we have seen a 3% increase in women versus 2018 which has been supported by our ongoing focus on talent discussions, development and promotions.
- We still have almost double the number of women to men in Quartile 1, which is predominantly our Sales Associates – our largest team member population.

* based on data from the 2019 ASHE Survey

Team members receiving bonus



All of our team members are eligible to receive commission or bonus payments. The difference in the percentage of team members receiving bonus is largely due to the timing of team members joining and leaving the business over the year which impacts their eligibility for a payment.

Gender bonus gap

	Median (middle)	Mean (average)
All team members including group	25.6%	37.8%
Based on like for like hours and excluding group*	14.3%	27.4%

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

The Gender Bonus Gap is driven by the following factors:

- The high percentage of women who work part-time with us, resulting in a lower pro-rated bonus or commission payment
- The number of women in lower-paid roles who therefore received a smaller proportion of bonus
- A higher percentage of women joining Selfridges who, due to start dates, were not eligible for bonus in 2019 or a pro-rata bonus at that time
- Team members and executives based in London who work for our parent company, Selfridges Group, who receive incentive payments that reflect their global responsibilities

Our Gender Bonus Gap is considerably lower when bonus is calculated on a like for like hours basis and Selfridges Group team members are excluded from the data.

*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 2019 initiatives with three key areas of focus.

Everyone is welcome

How our recruitment and promotion processes are helping reduce the gap



In 2019 we launched our new Employer Promise. This is a commitment and promise to our teams and future team members about what they can expect from Selfridges as an employer. To create this we asked some of our team members what makes Selfridges such a special place to work and we've brought it to life through a brand new Careers Website which we also unveiled in 2019.

The new website, makes it even easier to browse and apply for current opportunities at Selfridges, as well as link through and explore vacancies in other Selfridges Group businesses around the world, whether on secondment or permanently. Of all candidates who relocated internationally between 1 April 2018 and 1 May 2019, 88% were female and 12% male.

The number of females applying to Selfridges between 1 April 2018 and 1 May 2019 was 67%, however this figure rose to 70% in terms of those progressed to interview stage and total female hires during this period was 69%. Within our IT and Digital teams, 45% of applicants and 41% of hires were female. According to the STEM statistics from the workforce WISE campaign, 24% of the STEM workforce in 2019 in the UK were women.

To ensure Selfridges continues to be a place where people love to work and want to progress, in 2019 we completely reimagined how we mark long service and designed an exciting new menu of benefits linked to career milestones. From extra

holiday to a greater discount in our stores and online.

We also launched our Sabbatical Leave policy for those wishing to take an extended break whether that be for personal or family interests, travelling, educational courses or participating in unpaid voluntary or charity work. It also means we can retain amazing talent in our business that we might otherwise lose without this flexibility. Of the sabbaticals that have been approved in the business so far, 78% are women.



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One year on...

“I have been immensely encouraged that Selfridges has supported my new way of working. With a more flexible approach, I am now able to achieve the balance I was striving for between a fulfilling role at Selfridges and the needs of a young family.”

Nicola Copping, Editor-at-Large

This is a place to grow

**How we're creating clearer
routes for development**



In 2019, we concluded our first ever retail apprenticeship programme, supporting team member development and future progression. 80% of those who received this qualification were female. Over half of the group have been promoted into new roles and 82% of this number were female.

Across all our retail talent programmes delivered this year, 65% of delegates have been females and we plan to offer a further programme next year designed to fast-track our team members into their next step on the career ladder. This will enable a clear career route in Retail, from team member into management, and given the volume of females we have joining us as team members this will support further opportunities for them to progress with us.

Our management and leadership development offer continued to see a high female participation rate (74%) with 10% more females attending our Inspiring Leaders workshops, designed to support individuals with the leadership skills needed to progress further.

Looking ahead, 2020 will have a strong focus on career pathways, enabling individuals at all levels to understand what's available for them in terms of learning and development, progression and career possibilities. We will launch our Career

Concierge service, dedicated to providing tailored advice so team members and managers feel equipped and empowered to shape and progress into the careers that are right for them.

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One year on...

“In 2019 my role evolved and broadened into Senior Project Manager for Workplace and Experience. It's been an amazing year and, with the support and encouragement from senior leaders, I was empowered and entrusted to deliver a major project for the business – The Cinema at Selfridges.”

**Amrita Purewal, Senior Project Manager
– Workplace & Experience Property**

This is a family like no other

**How our communities are
driving positive change**



Selfridges team member communities continue to bind our business together and are integral to our success. The launch of a toolkit has encouraged more communities to be created. Each one represents a different interest or cause whether it's the Working Parents Network, Women in Tech & Digital or our Green Warriors who champion our sustainability agenda.

In 2019 we piloted our new digital scheduling system in our stores which enables team members to access their rotas digitally, swap shifts and book holiday through an easy to use app. New technology such as this is enabling more flexible working patterns and different lifestyles.

New modern workplace tools such as the rollout of Microsoft SharePoint, Teams and Skype in 2019 has made remote working much easier and supports collaborative working across our stores and sites across the UK. Our digital team member platform, Yammer, which we launched at the end of 2018 is now fully embedded in the organisation supporting more effective communication. We are now rolling it out to our brand partners, beginning with our Exchange Square store in Manchester.

Team member wellbeing is also extremely important to us which is why we have launched

our Healthy Bodies, Healthy Minds, Healthy Routines programme and introduced a Wellbeing Week, alongside talks and events throughout the year, to promote this.

In the coming year, we will continue to build on our people initiatives as well as find new ways to ensure our business supports even greater gender diversity and remains a place to grow.

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One year on...

“Yammer now connects 3,500 team members across Selfridges and my position of Yammer Community Manager has been made a permanent role. As we continue to grow and nurture the network, building communities and connecting like-minded team members remains at the core of what makes Yammer an exciting place to be.”

**Helena Cowan,
Yammer Community Manager**



“We would not be where we are today without our amazing people and we will do everything we can to nurture them, support their ambitions and ensure Selfridges continues to be a place to grow.”

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



Anne Pitcher, Selfridges Group Managing Director

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