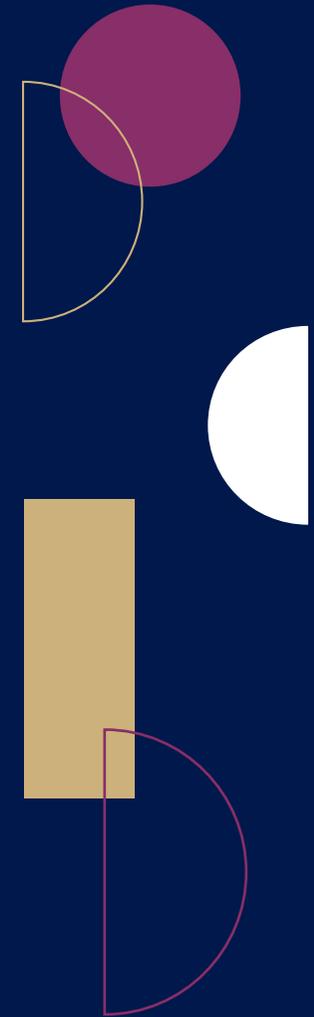
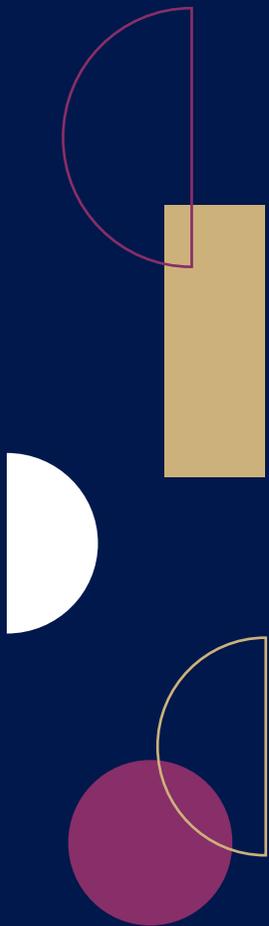


CHARLES TYRWHITT

JERMYN STREET LONDON

# GENDER PAY REPORT

2018-2019



At Charles Tyrwhitt (rhymes with Spirit, by the way) we're passionate about "Making it Easy for Men to Dress Well", and, whilst our core customers may be men, we understand that a successful company has to be truly inclusive.

We believe that to create an organisational environment whereby everyone wants, and is able, to be at their best means, amongst other things, having absolutely the best people for the job, regardless of their gender, age, background or, well, anything else other than their sheer brilliance!

Building on this intention we launched a number of initiatives over the last year to ensure that we remain an employee brand which appeals to all:



In our last report we pledged that a key focus was to be the promotion of our family friendly and flexible working policies, making them available and accessible to all. Since then we have seen a 36% increase in flexible working requests.



We are on a mission to break the stigma surrounding mental health issues and we are committed to providing all Tyrwhitteers with a safe, non-judgemental and caring environment. To help tackle this important subject we have, thus far, trained 30 Tyrwhitt volunteers from across the business, to become qualified Mental Health First Aiders. In addition, our Wellbeing platform is crammed with advice, support, organisations, help line numbers and top tips for how to live a healthy mental life.



Following the introduction of our "3 BE's" (our behaviours and values) last year we have since introduced a fourth pillar: 'Be The Change' which highlights our sustainability practices as well as how we give back to our community via our successful partnership with the Prince's Trust and their Get Hired programme which allows us the opportunity to support, and integrate into the workplace, the next generation of diverse talent.



One of our core beliefs in CT is that we want people to be able to bring their whole selves to work, which we term as being "Proud and free to be me". To support this, we are currently in the process of putting the final touches to our online D&I training with the aim of helping all colleagues understand what makes a diverse and inclusive workforce and why it is such a force for good.

Additionally, and despite the ongoing macro challenges that all retail businesses have experienced over the last year, we have continued to focus on making CT a truly great place to work and I'm delighted to say that we grew our Best Company Index score by a further 12 points to 676 (a One Star Accreditation). That is now a 64 point increase since we started to participate in the surveys two years ago.

Turning our attention to our Gender Pay Report: Our results show that our Median Gender Pay Gap is at -3.1% and our Mean Gender Pay Gap has increased very slightly to 10.7%.

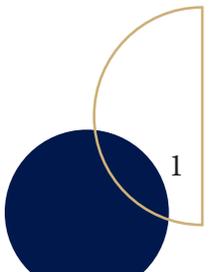
Although this move isn't in the direction we had hoped I can say, with complete confidence, that we believe gender is irrelevant in deciding salary and therefore an employee's pay is determined in its entirety by industry salary benchmarks for the role in question.

We remain committed to creating a fair and inclusive workplace, in which everyone can be the best version of themselves and, accordingly, we will this year focus on improving even more of our key benefits e.g. our Maternity, Paternity and Shared Parental Leave entitlements as well as launching a new 'Unconscious Bias' training. These actions will help us further address this important issue in the long term.

I can confirm that our gender pay gap statement is accurate and correct as at 5th April 2019.

**Chris McManus**

Chief People and Customer Service Officer



## GENDER PAY AT CHARLES TYRWHITT

There are two key measures to look at when considering Gender Pay Gap statistics

The **median** represents the middle point of our employee population earnings and therefore indicates what the 'typical' hourly rate is.

CT's Gender Pay Gap (median)	
2018	2019
-4.3%	-3.1%

CT's Gender Pay Gap (mean)	
2018	2019
9.3%	10.7%

The **mean** represents the average hourly rate of all our male and female employees.

The national Median Pay Gap average is \*17.8%, which indicates that at the Median point, women earn less than men across the UK. At Charles Tyrwhitt our median is -3.1% which means, that for every £1.00 the median man earns, the median women earns £1.03. We are pleased to see that this has remained consistent over the past 3 years and the rationale for this remains largely due to the makeup of our workforce. Two key reason for this are:

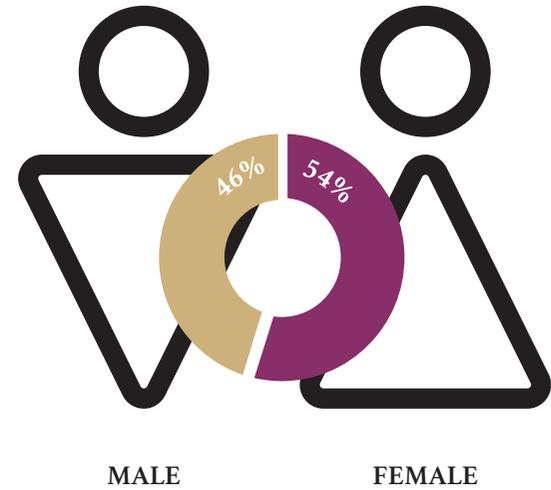
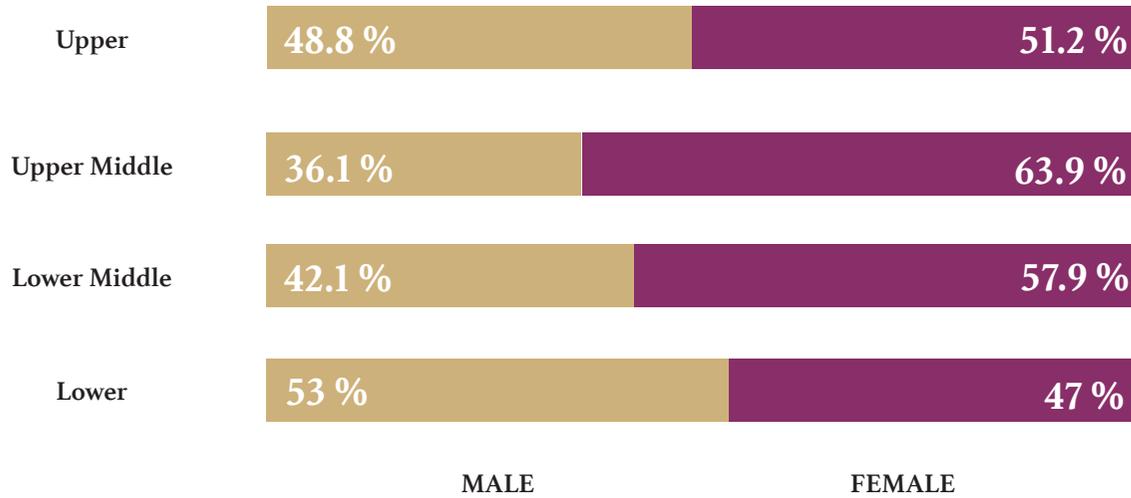
- 1) Our Distribution Centre, Contact Centre and Retail teams are paid the same rates of pay based on their roles and the location they are in, which avoids any disparities by area.
- 2) Both our Contact Centres and our Distribution Centre employ a greater percentage of women than men. As there are a large number of colleagues in these roles, they form the majority of our workforce and are where the median falls for women. As a menswear brand we find that in our Retail stores we employ a greater proportion of men than women. As the rate of pay in Retail is lower than that in the Distribution Centre and Contact Centres, this leads to the Median differential being in favour of females.

Our Mean Gender Pay gap is slightly increased to 10.7% which means, on average, for every £1.00 a man earns, a woman earns £0.89. These figures are calculated by taking a particular month, April in this case, and measuring and comparing the average hourly rate of both our female and male colleagues.

\*Figures taken from the ONS Annual Survey of Hours and Earnings, October 2017

# BONUS PAY

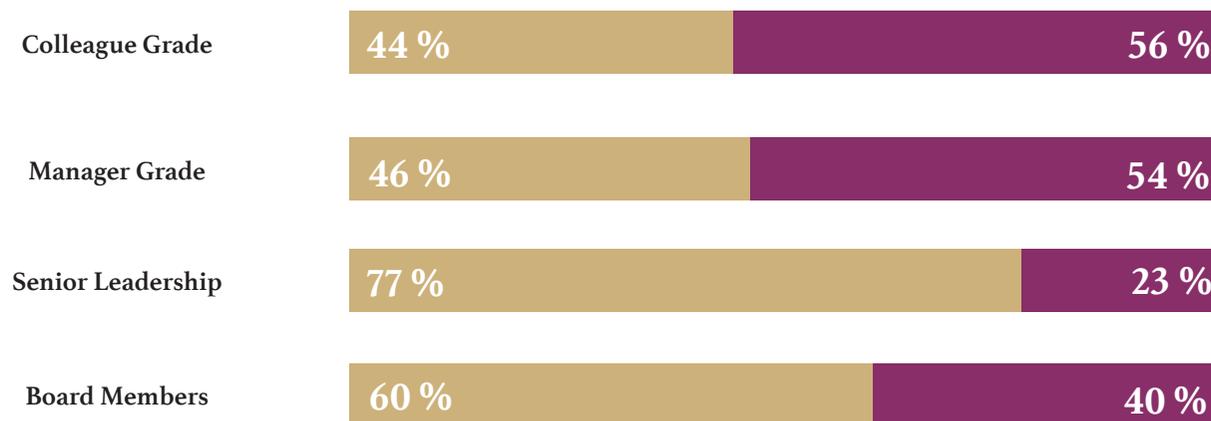
### GENDER SPLIT BY QUARTILE BAND



You can see from the gender split in our workforce our male and female divide remains fairly even. Outside of the lower quartile, our gender split per quartile pay band shows we have more females in the upper and upper middle quartiles, which is a positive position for us to be in. The higher proportion of males in the lower quartile relates to the increased proportion of men in our Retail stores as outlined earlier.

## GENDER BALANCE BY SENIORITY

GENDER BALANCE BY SENIORITY



As explained in previous years the main driver for our gender pay gap is the fact that we have fewer women on our Board (40% representation) and Senior Leadership team (23% representation). As a company we are very proud to say that our average length of service is 3 years and 4 months however for our senior leadership team this is even higher and stands at 5 years and 3 months. Whilst this stability shows loyalty to our brand, this lack of turnover has meant there has been little opportunity to address the gender representation in this area.

In addition, certain areas of our Head Office workforce, for example the majority of our IT team, are male and fall in the upper middle and upper quartiles, meaning this further skews our median figure.

All this said, our Mean Gender Pay Gap of 10.7% does reflect positively when compared to the UK national Mean of \*17.2%

## BONUS PAY

The **median** represents the middle point of our employee population ranked by bonus amount received and therefore shows the % difference in bonus paid at this middle point.

CT's Gender Bonus Gap (median)	
2018	2019
-16.1%	-21.3%

CT's Gender Bonus Gap (mean)	
2018	2019
36.3%	37.5%

The **mean bonus gap** represents the difference in the average bonus amount paid to male vs female employees.

% FEMALE EMPLOYEES RECEIVING A BONUS	79.2%
% MALE EMPLOYEES RECEIVING A BONUS	74.3%

Moving on to our bonus figures, it's worth noting that in the financial year 2018-19 despite the challenging climate we still awarded bonus's to 77% of our colleagues across the business.

The differences in the bonus figures are driven by the same key factors as outlined earlier;

-  We have a higher proportion of female employees on part time hours
-  Employees who work part time receive their bonuses on a pro-rata basis, however the calculation rules for the gender bonus gap doesn't allow for any adjustments to bring these in bonuses back to their 'full time equivalent' level
-  As with our Mean pay gap we do have more men in senior positions which inevitably results in a disparity in the bonus gap

## ACTION PLAN

Reflecting on our results we can see where the areas of improvement are and we will do all we can to address these issues. As a business we remain committed to making CT a great place to work and we will continue to ask our employees why they like working at CT as well as what they think would make it a better place to work – and we will continue to listen to their answers.

We already have much in plan and over the next twelve months we will be busy putting the following into action:

- Focus on the development of our Top Talent in order to develop a Talent pipeline for future senior roles. By doing so we believe that this will help raise the proportion of females in our more Senior roles
- We will roll out Unconscious Bias and Inclusivity training across the business to support awareness and understanding of areas such as Gender equality.
- ▭ To tackle an issue such as Gender Pay you first need to better understand it, so over the next 12 months we will be analysing our recruitment data to help us understand our applicant numbers and splits by gender, ethnicity, age, etc. By understanding these figures we hope to be able to put in place any required actions in order to ensure we recruit a diverse workforce

We believe that by implementing these actions we will continue to make progress on this important matter, and in turn help us in our vision to make Charles Tyrwhitt a truly great place to work.