



Gender Pay Gap Report – 2018

With over 2000 colleagues in the UK, The Watches of Switzerland Group is the largest prestige luxury jewellery and timepiece specialist in the country and our retail portfolio includes Watches of Switzerland, Goldsmiths, and Mappin & Webb. Proud to be a people business, we live by our values and our culture is inclusive and diverse. We believe in fairness and equality and development opportunities are offered to all.

Last year we published our first gender pay gap report and it showed that, like many UK retail businesses, we had a gender pay and bonus gap driven by the fact that a higher proportion of our most senior roles are held by men and many of our more junior colleagues are women attracted by the wide range of part time working options that we are able to offer.

As a business we value stability and loyalty and over the past year we have seen little change to the fundamental structure of our organisation. As a result, our gender pay gap for 2018 remains largely unchanged. The bonus gap has primarily increased from the prior year due to the triggering of the Group bonus in the current reporting year to 5th April 2018 whereas no Group bonus was paid out in the prior year.

Due to the structure of our business, we believe it will take some time to close the gender pay gap although we are not complacent. Over the last 18 months, in addition to making some senior hires at Executive level, 58% of our colleagues who have been promoted to management positions internally are women.

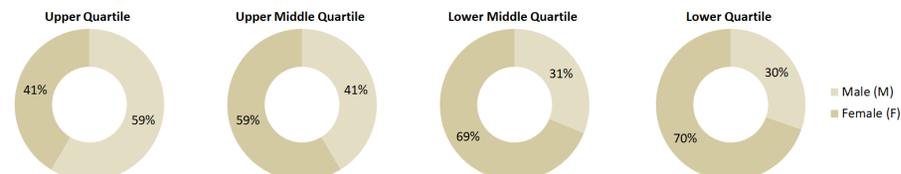
Our Context

In common with many retail businesses, 60% of our showroom and store colleagues are women and nearly half of these choose to work part time.



Quartiles

When we divide our business into quartiles, we see that more of our most senior positions have traditionally been held by men.



Our Gender Pay and Bonus Gap

	Mean	Median	
Pay	28% 27% previous year	21% 20% previous year	The gender pay gap is based on hourly rates of pay at the snapshot date of 5 th April 2018 and the bonus gap is based on bonuses paid in the 12 month reference period prior to this. Bonus pay includes commission and incentives as well as store and company bonus schemes.
Bonus	58% 38% previous year	59% 51% previous year	

Most people at The Watches of Switzerland Group are eligible to earn a bonus or commission and, in the year reported, **94% of women** received a bonus and **88% of men** received a bonus.

One of the factors affecting the median bonus gap is that the bonus gap calculation is not pro-rated for hours worked. Nearly half of our female colleagues work part time and therefore, by default, can earn less commission than their full-time colleagues.

The gender mix at senior levels exacerbates the bonus gap in years when the Group scheme triggers.

Gender Pay Gap Report – 2018



Gender Pay Gap v Equal Pay

It's important to note that the gender pay gap is different from equal pay which is about women and men receiving equal pay for doing the same or similar jobs. Whilst we have location premiums to take into account different geographies, we are pleased to report that we have no issue with equal pay.

When we look at our gender pay gap by quartile, the pay gap narrows considerably which reassures us that men and women are being equally and fairly treated for the same work.

Learning & Development

We have a comprehensive range of training academies and development programmes available to colleagues throughout the organisation and participation rates are high across all levels. The delegate mix on our newly launched retail senior leadership programme is 50:50 women and men.

Closing the Pay Gap - Our Plans For The Future

At The Watches of Switzerland Group, we are proud of our culture of fairness and equality but know that we can always do more to encourage a change of gender mix at the top of our organisation.

Over the past 12 months we have welcomed a new female Non Executive Director to the Board, recruited a female Group Finance Director as number two to the CFO and promoted two internal candidates to Senior Management roles. 31% of the roles in our combined Main Board and Executive Committee are held by women.

In retail, we are pleased to offer a wide range of working patterns to enable those balancing careers and family commitments to return to the workplace, although this shape of our business influences our gender pay gap. We have therefore tasked a project team with understanding how those who choose to work with us on a part time basis can maximise their potential and career opportunities, now or in the future. We want to make sure that we're aware of the potential barriers to career progression for this important part of our workforce and whilst we don't believe our full time female colleagues face these hurdles, we intend to hold a series of workshops to validate this.

As a company, we are represented in the broader debate by our Executive Director HR who continues to serve on the British Retail Consortium's Pay and Progression committee as well as playing an active role as an Ambassador and mentor for the sector's Retail Week Be Inspired campaign.

Closing the gender pay gap in our business and our sector will not be an overnight fix, however as The Watches of Switzerland Group evolves and grows, we will continue to seek opportunities for us to play our part.

I confirm that the information in this report is accurate.

Brian Duffy
Chief Executive Officer

March 2019



Sales To Management Graduates 2018