



The Watches of Switzerland Group

Gender Pay Gap Report

2020



WATCHES OF
SWITZERLAND
SINCE 1921

Mappin & Webb
LONDON

GOLDSMITHS
SINCE 1778

EST 1910
MAYORS
FINE JEWELRY & TIMEPIECES

Gender Pay Gap Report 2020

The Watches of Switzerland Group is a globally recognised specialist retailer of Swiss luxury watches and complimentary luxury jewellery. The group successfully listed on the London Stock Exchange in 2019. Our success depends on our people and we are extraordinarily proud of our culture which promotes fairness, diversity and equal opportunity for everyone. Our teams work hard to develop deep category and product knowledge and are passionate advocates of the brands we represent. We value the contributions of our female and male colleagues equally and women and men receive equal pay for doing the same or similar jobs.

The gender pay gap shows the difference in the average rate of pay of men and women across the organisation regardless of roles; the methodology for the calculation is set out by the government and compared to the previous year. Gender Pay Gap reporting became a legal requirement from 2018.



Like many organisations, the Watches of Switzerland Group's overall gender pay gap is heavily influenced by our head office based, Senior Executive team – the stability of which was particularly important in a year that saw the company's successful IPO. As a result, our headline gender pay gap results saw only a slight improvement year on year. However, we were pleased to note that the mix of female colleagues in the upper quartile increased from **39%** in 2019 to **42%** for the reporting period to 5th April 2020.

We look forward to the impact that this pipeline will have in future years as our high potential female colleagues continue to develop their careers within the company.

At a group wide level, the upper quartile is the only quartile where we see a gender pay gap. Across the remaining **75%** of our total population, **the median and mean pay gap is 1% or lower**. When we look in closer detail across our Retail divisions, we are pleased to report progress in closing the gender pay gap in all three of our UK Retail businesses.



Gender Pay Gap Report 2020

Total Company

	Mean	Median
Pay	28% 29% previous year	19% 21% previous year
Bonus	51% 46% previous year	47% 51% previous year

The gender pay gap is based on hourly rates of pay at the snapshot date of 5th April 2020 and the bonus gap is based on bonuses paid in the 12 month reference period prior to this. Bonus pay to includes commission and incentives as well as store and company bonus schemes.

In the reporting year ending 5th April 2020 which is used to calculate the gender pay gap, the Company bonus scheme relating to FY19 was paid and a one off IPO bonus of either £500 or £1000 was received all colleagues depending on their hours worked.

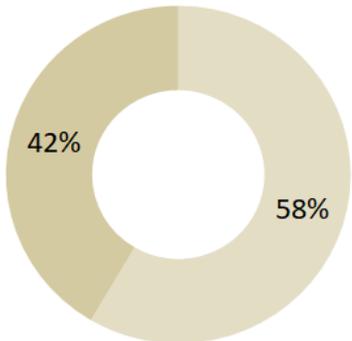
88% of women and **86%** of men received bonus payments.

In the previous year, no bonus was paid from the company scheme.

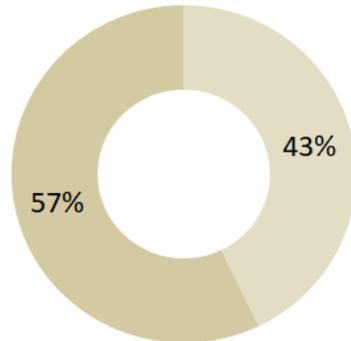


Quartiles

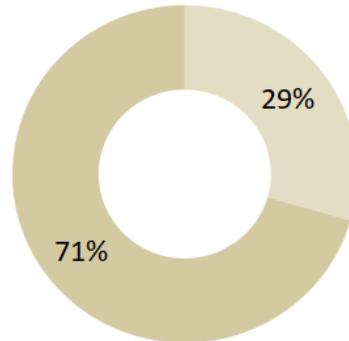
Upper Quartile



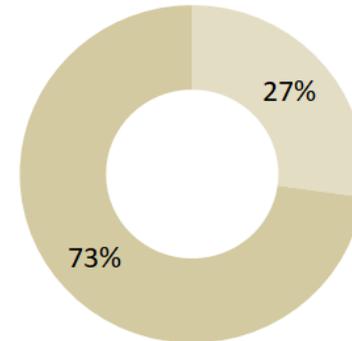
Upper Middle Quartile



Upper Lower Quartile



Lower Quartile



■ Male %
■ Female %



Gender Pay Gap by Quartile – Total Company

	Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
Mean Pay	19%	1%	0%	1%
	20% previous year	Same as previous year	Same as previous year	-1% previous year
Median Pay	18%*	1%	1%	0%
	14% previous year	2% previous year	Same as previous year	-2% previous year



Reporting by quartile is a method that groups colleagues into four bands based on the highest to the lowest hourly rates of pay. It isn't a requirement to report the gender pay gap by quartile but we think it's helpful to do so as it shows that our gender pay gap is driven by our top quartile of jobs.

In the Watches of Switzerland Group there are 455 colleagues in each quartile and the range of jobs in the upper quartile goes from Brian Duffy, CEO to a luxury showroom Deputy Manager in a regional shopping centre. This is a much broader range of jobs than would probably be the case if we were a much larger organisation and whilst not disguising the fact that more of our most senior roles are currently filled by men than women, we hope it begins to explain the gap a little. We are pleased that we have continued to strengthen the senior team over the past few years with some very high calibre new female recruits.

*During this reporting year we made some transitional changes to pay structures at the top of the organisation as a result of becoming a public company. There were more jobs held by men than women affected by these changes and as a result the median pay gap increased.



Gender Pay by Retail Division

As seen above, the company's overall gender pay gap is driven largely by Executives in our Support Centre. However, when we look at our organisation by individual Retail division, we are really pleased to report that whilst we do have a gender pay gap in the upper quartiles of these businesses, we are making significant progress in closing these gaps. This reflects the ongoing progression of women into supervisory and management roles in our core business.

Mean Pay by Retail Fascia

	Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
Goldsmiths	8%	2%	1%	1%
	12% previous year	Same as previous year	Same as previous year	0% previous year
Mappin & Webb	-6%	6%	1%	-1%
	6% previous year	8% previous year	2% previous year	Same as previous year
Watches of Switzerland	14%	-1%	-1%	0%
	29% previous year	-2% previous year	1% previous year	3% previous year



Median Pay by Retail Fascia

	Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
Goldsmiths	8%	3%	0%	0%
	Same as previous year	5% previous year	Same as previous year	Same as previous year
Mappin & Webb	-5%	7%	1%	-1%
	-3% previous year	8% previous year	4% previous year	Same as previous year
Watches of Switzerland	13%	-1%	0%	0%
	15% previous year	-4% previous year	1% previous year	5% previous year



Looking to the future ...

Although our overall gender pay gap has improved only slightly, we are pleased with the progress we are continuing to make in closing the gender pay gap in our core Retail divisions. For next year's reporting, this will be supported by the retail pay and commission review we undertook in Autumn 2020 which resulted in the launch of a new, transparent pay structure bringing consistency across the Watches of Switzerland, Mappin & Webb and Goldsmiths brands.

Our new plc status* afforded us the opportunity to expand the Senior Executive team and bring a range of new skillsets into the company. Whilst we continue to recruit on merit and capability, we're delighted that many of the recent new senior hires in both the Support Centre and in our Regional Management teams are high potential women.

In our first year of reporting as a public company, the Board formally approved the Groups Diversity Policy and we were proud to be listed within the **top 100** of the final Hampton Alexander FTSE 250 ranking of Women on Boards and Leadership report which was published in 2021. As at 31st October 2020, **38.1%** of our Executive Committee and their direct reports were women and our main board was compliant with the Hampton Alexander target of **33.3%**. From a broader diversity and inclusion perspective we were delighted to welcome our first woman of colour to our Executive Committee with the appointment of Laura Battley as General Counsel & Company Secretary.

Last year, on publication of the 2019 Gender Pay Gap report in April 2020, we found ourselves in the first few weeks of an enforced countrywide lockdown that none of us envisaged would last, on and off, into 2021. At that time, we talked about our intention to set up a Women's Network to help support our new recruits and newly promoted managers. The demands of the year overtook us and instead, we focused on supporting all of our colleagues with a huge range of learning opportunities whilst most were on furlough. Time moves on and we have now set up a Diversity Council which will consider the broader D&I agenda in the round.

We have signed the BRC Diversity & Inclusion Charter and four of our female Executives support Retail Week's Be Inspired campaign as Ambassadors. We were pleased to become a member of the newly formed Diversity in Retail Network which is founded and chaired by our Senior Independent Director, Tea Colaiani.

We remain fully committed to identifying and developing talent across our business and to providing development opportunities for all.

We confirm that the information in this report is accurate.

Brian Duffy
Chief Executive Officer

Nikki Zamblera
Executive Director, HR

**As reported last year, on admission as a newly listed public company, the Remuneration Committee adopted a variable structure that more accurately reflects traditional plc market norms for the Executive team and Senior Managers - some of whom had made personal investments in the privately owned business. As a consequence, in future years the gender pay gap may increase in the short term to medium term in response to these changes. This gender pay gap report does not yet reflect this as the reporting year does not cover the group's full financial year as a listed business.*

