



## GENDER PAY GAP REPORT 2022

WATCHES OF SWITZERLAND GROUP PLC  
WATCHES OF SWITZERLAND OPERATIONS LIMITED  
WATCHES OF SWITZERLAND COMPANY LIMITED

# INTRODUCTION



**PHILIPPA JACKSON**  
EXECUTIVE DIRECTOR HUMAN RESOURCES

This year we are pleased to have aligned our three year Diversity, Equality and Inclusion strategy with our Board and senior leaders. This is built on our strong culture of meritocracy and we have exciting plans to bring this to life over the coming years.

## WE ARE A MERITOCRACY DEMONSTRATED BY



### INCLUSION

80% inclusivity score



### GENDER BALANCE

All leadership teams are gender balanced



### REPRESENTATION

Teams represent the national identity and the race/ethnic mix of the markets in which they operate

## STRATEGIC PILLARS ENABLING OUR MERITOCRACY



### CARE

Leaders visibly champion inclusion & diversity



### RESPECT

Strengthen our inclusive culture



### HARNESS

The power of our brands and communities



### EQUIP

End to end policy and process alignment

Early results are strong with 81% of our colleagues agreeing in our annual engagement survey that they 'work in an environment where everyone can feel included, respected and accepted for who they are'. This is consistent across different regions and supports our company values of respect, trust and transparency.

In addition, our combined % of females on our Executive Committee and direct reports to our Executive Committee\* is 46.5% which has improved from 43.5 % in 2021 and gives us gender balance at the senior levels of the organisation. We define gender balance as at least 40% male or female at leadership team level. We have also achieved the target for ethnic diversity at Board level as set out in the Parker Review.

This year, we have confirmed our approach to offer hybrid working practices to our support colleagues and we continue to offer flexible working practices to all with 20% of our organisation working part-time hours. In April 2023, we launched an enhanced maternity leave pay policy which includes a back to work bonus and we have broadened our compassionate leave policy to include time off for bereavement leave. We have a menopause policy to educate and support our colleagues and our employee assistance programme covers 24 hour support for colleagues on issues such as health and safety, legal and financial advice, workplace support and also advice on relationships and family matters. We move to our new Support Services Centre in May 2023

which is located next to a nursery and has facilities such as a multi-faith room and nursing room for new parents.

We know there is more to do as we continue to build on our progress to date and our focus for the next 12 months is on increasing female representation in our succession and talent pipelines, enabled by the launch later in 2023 of a newly created Leadership Development Programme aimed at senior managers, women in leadership and newly created mentoring and coaching programmes. We are also committed to promoting diversity and inclusion in the workplace alongside reducing the potential for bias in the hiring process and our talent acquisition team have recently piloted blind recruitment, by removing identifying information from a job application and focussing on skills and experience, our hiring managers can ensure that they are making decisions based solely on a candidate's ability to do the job.

We are committed to building an environment in which everyone can thrive and giving our colleagues every reason to join, grow and stay with us.

\* As the Watches of Switzerland does not operate with a stand alone Executive Committee we are reporting in line with the FTSE Women Leaders recommendations of the Chief Executive Officer and their direct reports.

**PHILIPPA JACKSON**  
EXECUTIVE DIRECTOR  
HUMAN RESOURCES

# GENDER PAY GAP REPORT 2022



## MEAN GENDER PAY GAP REDUCTION

25%  21%

in 2021

in 2022

The Watches of Switzerland Group is the UK's largest luxury watch retailer, also operating in the US and Europe. A globally recognised specialist retailer of Swiss luxury watches with a complimentary luxury jewellery offer, the Group has been listed on the London Stock Exchange since 2019. In the UK, our showroom portfolio comprises of Watches of Switzerland, Mappin & Webb, Goldsmiths and mono-brands boutiques. In the US, our portfolio includes Watches of Switzerland, Mayors, Betteridge, Analog Shift, and mono-brands boutiques. We also have 7 transactional websites across the Group. In Europe, our showroom portfolio comprises of mono-brand boutiques and Watches of Switzerland showrooms.

Our success depends upon our people and we are extraordinarily proud of our culture which promotes fairness, diversity and equal opportunity for everyone. Our goal is a team of highly engaged colleagues who are committed to learning and intend to develop long term careers with the Watches of Switzerland Group. We value the contributions of all of our 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. Data is captured as at 5th April 2022.

Like many organisations, the Watches of Switzerland Group's overall gender pay gap is driven by our Support Services Centre based Senior Executive team.

This year we have seen our mean gender pay gap reduce from 25% in 2021 to 21% in 2022. Whilst there is still a way to go, we are encouraged by this progress and expect it to continue as the Group continues to grow.

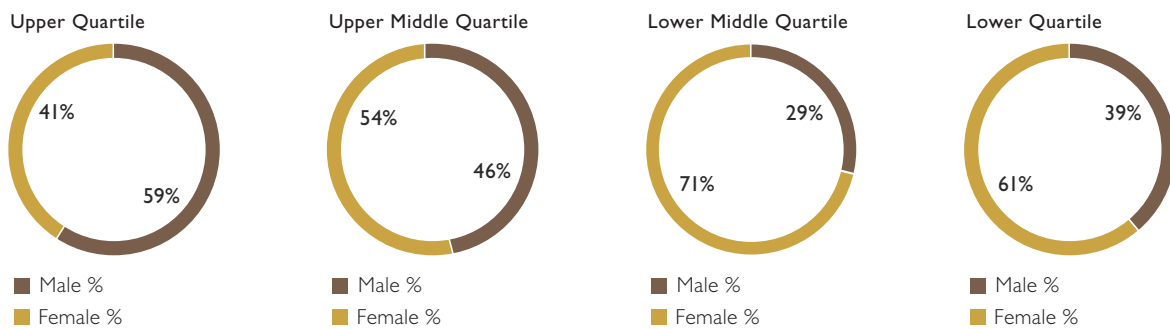
It's important to note that at company level, the upper quartile is the only quartile where we see a gender pay gap. Across the remaining 75% of our total population, the median and mean pay gap is 0%. When we look in closer detail across our Retail divisions, we continue to report progress in closing the gender pay gap in all three of our UK Retail businesses.

## TOTAL COMPANY

	Mean	Median	
Pay	21% 25% previous year	11% 18% previous year	The gender pay gap is based on hourly rates of pay at the snapshot date of 5th April 2022 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 showroom and company bonus schemes.
Bonus	91%* 40% previous year	40% 32% previous year	In the reporting year ending 5th April 2022 which is used to calculate the gender pay gap, the Company bonus scheme relating to the prior year was paid out to colleagues.  92% of women and 89% of men received bonus payments.

\* The increase in mean bonus gap is driven by a one off grant of share options granted to the CEO at the time of the IPO by Jewel Holdco S.a.r.l. The CEO was required to remain employed for a period of two years unless his employment ended for an excluded reason. The options were settled out of Jewel Holdco S.a.r.l. shareholding in the Company in the 12 months prior to the snapshot date. If we exclude this one off award, the mean bonus gap is 41%, which is consistent with previous years' results.

## QUARTILES



## GENDER PAY GAP BY QUARTILE

	Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
Mean Pay	12% 14% previous year	0% 0% previous year	0% 1% previous year	0% 0% previous year
Median Pay	8% 13% previous year	0% 1% previous year	0% 1% previous year	0% 0% previous year

It isn't a requirement to report the gender pay gap by quartile but, as we did last year, we think it's helpful 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 512 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. We are pleased to report that we are making progress in closing the gap at the top of our company.

## GENDER PAY BY RETAIL DIVISION

As seen opposite, the company's overall gender pay gap is driven largely by Executives in our Support Services Centre. However, when we look at our organisation by individual Retail divisions, we are pleased to report that we continue to make 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	1% 3% previous year	0% 0% previous year	1% 1% previous year	1% -1% previous year
Mappin & Webb	-12% -4% previous year	4% 7% previous year	-2% 0% previous year	3% 1% previous year
Watches of Switzerland	13% 13% previous year	-2% -1% previous year	-1% 0% previous year	-17% 3% previous year

### Median Pay by Retail Fascia

	Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
Goldsmiths	7% 7% previous year	2% 2% previous year	0% 1% previous year	0% -2% previous year
Mappin & Webb	-7% -2% previous year	8% 10% previous year	-4% 1% previous year	0% 1% previous year
Watches of Switzerland	4% 8% previous year	-2% 0% previous year	0% 1% previous year	-7% 5% previous year

# TOTAL REWARDS IN RETAIL



# OUR COMMITMENT TO A FAIR AND INCLUSIVE CULTURE



**BRIAN DUFFY**  
CHIEF EXECUTIVE OFFICER

I am proud of the strong culture at the Watches of Switzerland Group which is based on our purpose to “WOW our clients while caring for our colleagues, our communities and our planet”. Our company values of respect, together with trust and confidence, underpin our approach to talent and equality and I am passionate about fair access to opportunity and careers based on merit. We use a number of data points and metrics to measure and drive our performance and culture and this report is one of the indicators.

External forces and market dynamics means that the world of work remains uncertain and as dynamic as ever and I am pleased to see the progress in this report and that we are continuing to close our gender pay gap.

Social mobility is an important part of our DNA across the Group and we have plans to further sharpen our focus on this as a leadership team this year. In addition, our investment in new learning and development programmes later this year as well as our move to a new Support Services Centre will give us more opportunity to build upon our collaborative culture and leverage the diversity we have across our business in order to deliver our exciting plans for the future.

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.