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# UK GENDER PAY REPORT 2018





**We are pleased to publish our 2018 Gender Pay Report. The aim of this report is to give you an update on what we have been doing over the last year, provide you with a simple and clear explanation of our gender pay results for 2018, and share our focus for the future.**

Overall, we are pleased with our numbers and the progress we have made, but we also acknowledge the ongoing work that must continue.

As an organisation with a presence in 11 different markets and a colleague base comprising over 170 different nationalities, we want a workplace that recognises everyone regardless of gender, nationality, religion, disability, or sexual orientation. We are focused on building a company culture we can all grow and thrive in, supporting everyone in finding their amazing career at Primark.

We believe diversity is key to innovation and we are actively developing working group initiatives to celebrate the diversity of our people, maximise their potential, and foster an inclusive culture for everyone at Primark.



PAUL MARCHANT  
Chief Executive



LORRAINE CULLIGAN  
Group Director,  
People & Culture

## WHAT'S INSIDE?

- Recap on gender pay vs equal pay
- What we measured
- Our 2018 results
- Our commitment and future focus



## WHAT IS GENDER PAY

When looking at gender pay, it's easy to get confused by what it means and why it's different from equal pay.

Last year, we provided you with an explanation of what each term means, and we want to do the same this year so this report is clear and our results are easy to understand.

### GENDER PAY

Gender pay shows the difference in the average hourly earnings of women and men across an organisation regardless of their roles or location. The numbers can be affected by a range of factors, including the different number of women and men across all roles at all levels.

### EQUAL PAY

Equal pay is about women and men receiving equal pay for the same jobs, similar jobs or work of equal value.

At Primark, **we are confident we pay women and men equally** for the same or similar job as all of our roles have either a fixed rate of pay, a scale, or a salary that is determined using a robust job evaluation system.

**In this report, we will focus on gender pay.**

# MEASURING GENDER PAY

Under UK Government regulations, we are required to review and report on a number of different statistics when measuring gender pay.

These are:

- ✓ Mean and median gender pay gap
- ✓ Our pay quartiles
- ✓ Percentage of male and female colleagues receiving a bonus
- ✓ Bonus pay difference between men and women

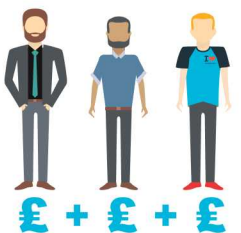
Before launching into the results, we have outlined what the mean and median pay gap actually means.

## THE MEAN PAY GAP

This is the difference between the average hourly rate of pay for women compared to the average hourly rate of pay for men.



$$\text{Number of FEMALE Colleagues} = \text{Mean FEMALE average pay}$$



$$\text{Number of MALE Colleagues} = \text{Mean MALE average pay}$$

**THE DIFFERENCE = THE MEAN PAY GAP**

## THE MEDIAN PAY GAP

The median represents the middle point of a population. If you lined up all of the women and all of the men, the median pay gap is the difference between the hourly rate of pay for the middle woman compared to the hourly rate of pay for the middle man.



**THE DIFFERENCE = THE MEDIAN PAY GAP**



# OUR 2018 GENDER PAY RESULTS

## MEAN GENDER PAY GAP

13.8%

UK 17.1%\* Retail 17.6%\*

## MEDIAN GENDER PAY GAP

0.0%

UK 17.9%\* Retail 9.1%\*

\*Based on estimates from ASHE survey 2018.

It's great to see that like last year, there is no gap at the median. While there is a gap at the mean, we're pleased that it is below the retail sector and national averages, and has reduced by 1.8% compared to last year. Our mean pay gap is going in the right direction, but we know more work is needed to close it.

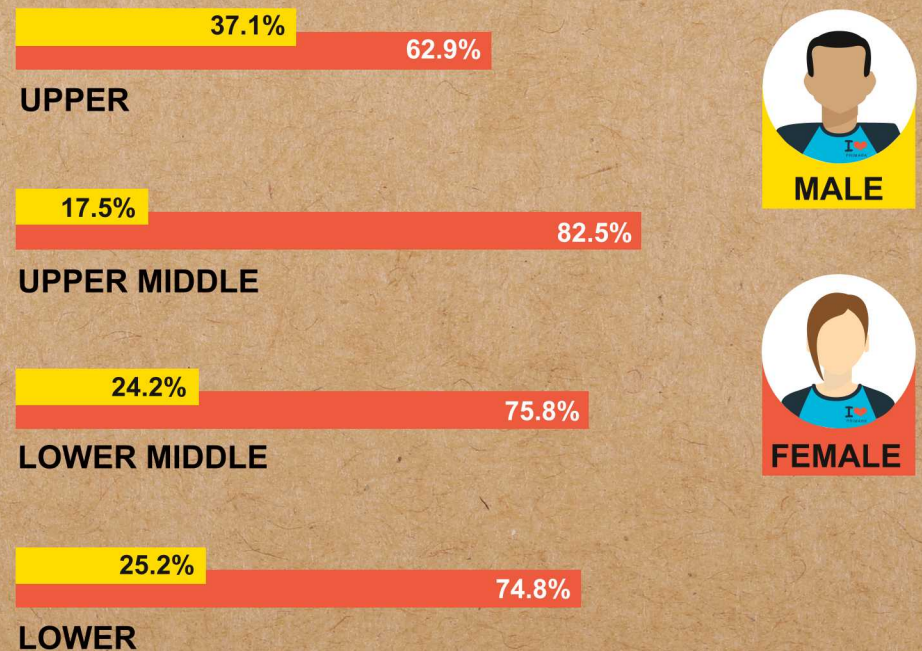
Our numbers are impacted by the distribution of women and men across our UK business. Over 90% of our colleagues are retail assistants and supervisors in our stores, and 75% of these colleagues are women compared to 25% men. This means we've a lot more women than men in our most junior roles in store, which impacts our results.

In addition to this, and like many businesses, we have more men in our most senior roles. However, it's great that we're continuing to see an increase in female representation in our most senior roles. Globally, female representation has increased by 5%, with women now representing 48% of our senior leaders.



## OUR PAY QUARTILES

We are required to show the gender split within our pay quartiles. We did this by splitting our colleagues into four equal parts based on their average total hourly rate of pay to show the gender distribution within each quartile.



We have significantly more female than male colleagues in our business. We are reassured that the proportion of female and male colleagues across the quartiles remains relatively consistent, but we are always looking to improve.

# OUR 2018 BONUS RESULTS

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## BONUS PAY DIFFERENCE BETWEEN WOMEN AND MEN

### MEAN

41.7%

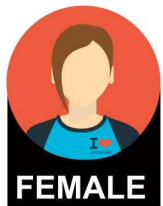
We are pleased that our mean bonus result has reduced by 4% since last year. While it has reduced, there is still a gap and we know that this is largely due to men occupying more senior roles with higher bonus opportunities, which is something we continue to work on.

### MEDIAN

36.4%

We also know that our median gap has changed from last year, but this is because more colleagues shared in the success of Primark than ever before, with 19% more colleagues receiving a bonus! The majority of these additional bonuses were paid to female colleagues and this changed the shape of our bonus eligible population. We expect our median bonus gap figure to vary every year as the make-up of bonus eligible colleagues changes.

## % OF COLLEAGUES RECEIVING A BONUS



FEMALE

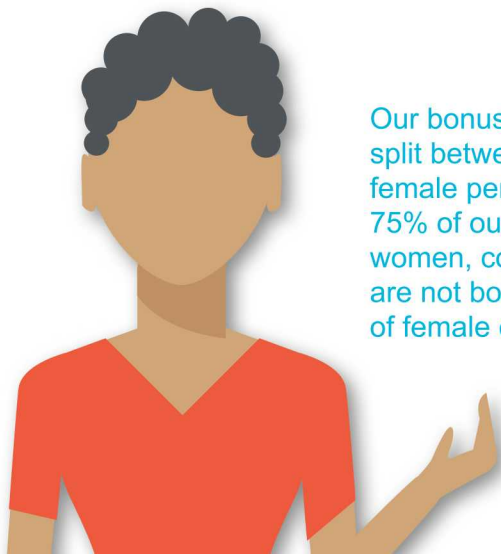
1.5%



MALE

4.5%

Our bonus eligible population is almost an even split between men and women. The reason the female percentage is lower is largely because 75% of our retail assistants and supervisors are women, compared to 25% men. As these roles are not bonus eligible, this reduces the proportion of female colleagues receiving a bonus.



# OUR COMMITMENT AND FUTURE FOCUS

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Over the past number of years, diversity and inclusion has been an important topic for us here at Primark. In last year's report, we spoke to you about our commitment to delivering on existing and new initiatives to ensure more women and other under-represented groups progress to senior leadership roles.

We are proud of the progress we've made this year and want to outline some of our 2018 achievements. We know there is more we still need to do and are pleased to share our focus for 2019, to build on the work we've done so far.

We're delighted to have recently partnered with Retail Week on the **Be Inspired** campaign promoting gender balance in Retail and encouraging women to fulfil their career aspirations. It focuses on giving women the practical skills they need to progress their careers, foster the right cultures for a balanced workforce, and build a pipeline of the female leaders of tomorrow. By working in partnership with Retail Week, we're excited about the positive change we can bring about, not just in our own business but across the entire Retail sector.



## DIVERSITY & INCLUSION

Last year, we told you about the Diversity Group that was set up, and this group is currently in the process of creating a new Diversity & Inclusion Policy.



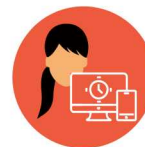
## LEADERSHIP & DEVELOPMENT

We have launched two core Leadership Development Programmes. These were rolled out to 200 Senior Leaders in Primark across 2018. Our focus for 2019 is to roll this out to a further 400 Store Managers globally. Cultural diversity and inclusivity are core components of these programmes.



## UNCONSCIOUS BIAS TRAINING

Unconscious bias is a key focus at Primark. We have created a programme for hiring managers that is currently being rolled out across the business to ensure we are all hiring in the Primark way with unconscious bias training as a key element of the programme.



## FLEXIBLE WORKING

Throughout 2018, we partnered up with Timewise to carry out an audit of Working Practices in our Dublin and Reading offices. This allowed us to get a snapshot of how flexible we currently are and help us focus on areas of improvement.

Throughout 2019, we'll be working on putting their recommendations into practice.



We confirm that the information reported is accurate and meets the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

PAUL MARCHANT  
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