

# Gender Pay Gap Report



# Introduction

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**Kate Hobhouse**  
**Chairman**

At Fortnum's, we believe in attracting the broadest range of talent, and in embracing individuality. Our goal is to create a truly inclusive culture where people feel a sense of belonging and are able to be at their best for our customers, suppliers and each other.

We naturally have a very diverse workforce, with over 62 different nationalities in the UK and a very even distribution of men and women across the company (51% female, and 49% male): something we are very proud of, but know there is always more to do.

Being a family business we know the importance of supporting one another to help each of us shine. The last year has no doubt been one of the most trying in recent decades. The pandemic has flipped our worlds upside down and challenged the way we live on a daily basis – from the way we work, to the way we shop and the way that we connect with one another.

For many, home has also become a place of work and in some cases school too, presenting challenges along the way – from creating balance and routine, to having enough flexibility in the day to juggle home schooling and work. The impacts on us all have been unique and varied.

Throughout the year we have found new routes to listen to our teams, holding a number of surveys and listening groups to learn and understand what more we could do to provide the most meaningful support for each individual. Offering greater flexibility and support has been key.

Our 2020 gender pay gap remains negligible, which is consistent with previous years. Whilst this is pleasing, we remain committed to attracting diverse talent to Fortnum's and to creating an inclusive culture where our people can thrive – regardless of ethnicity, gender, disability, age or seniority. This is why I am delighted to share that we will soon be forming an Inclusion and Diversity (I&D) Network who will be empowered to drive action in support of our strategy and help us create a more meaningful and thoughtful dialogue with our people.

April 2021



# Measuring the gender pay gap



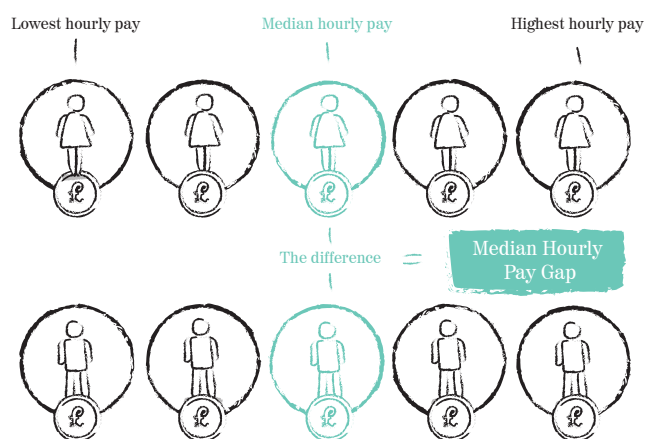
The gender pay gap shows the difference in average pay between women and men. This is different to equal pay which relates to the pay men and women receive for the same role or work. All companies with over 250 employees within the UK must report their gender pay gap, across four categories:

1. Mean and median gender pay gap in hourly pay
2. Mean and median bonus gender pay gap
3. Proportion of men and women receiving a bonus payment
4. Proportion of men and women in each pay quartile

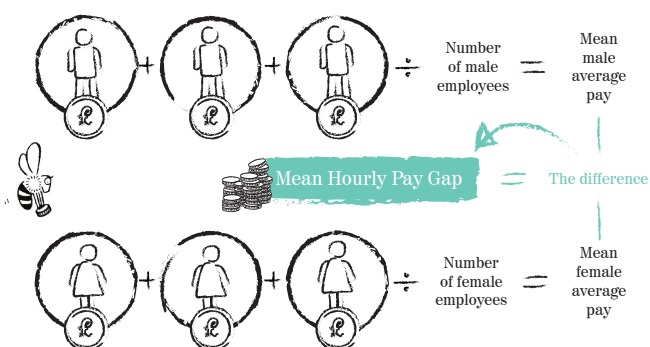
As of 5<sup>th</sup> April 2020 (the date of reporting) Fortnum & Mason in the UK comprised of 4 stores and 9 hospitality outlets, employing people across four core areas: Retail, Hospitality, Head Office, and Warehouse in a range of disciplines from Chefs to Sales Associates to Marketers, to IT professionals and Warehouse operatives. At the time of reporting, Fortnum & Mason employed 884 permanent and fixed term employees; 52% women and 48% men.

As defined by the government, the gender pay gap calculations must only take into account “full pay relevant employees” at the date of reporting. That means any employee who was paid less than their usual rate, due to long term leave during that period is not included in this report. This report takes into account 809 full pay relevant employees.

## How we calculate the median difference



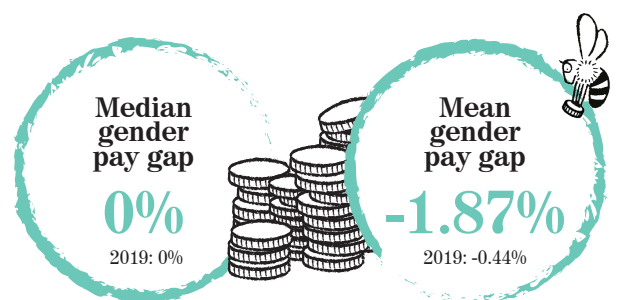
## How we calculate the mean difference



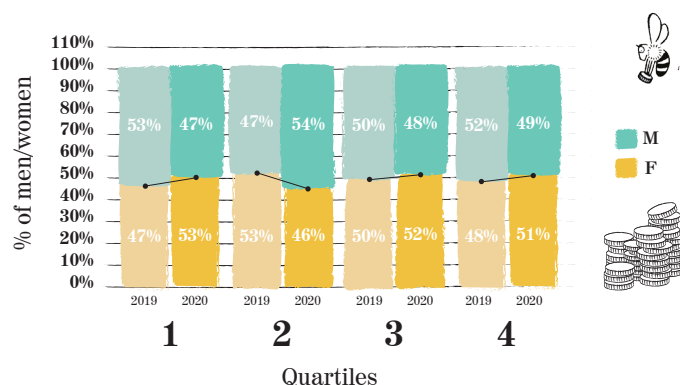
# Our gender pay gap



As of 5<sup>th</sup> April 2020, the **median gender pay gap** at Fortnum & Mason was 0% (2019: 0%). This is consistent with previous years' results, which have all been significantly below the national average (2020: 15.5% according to Office for National Statistics). The **mean gender pay gap** was -1.87% (2019: -0.44%). In 2020, 51% of our upper pay quartile and 52% of our third pay quartile consisted of women, compared to 48% and 50% of women in these respective quartiles in 2019, showing a slight shift of women moving into higher paid positions.



Proportion of men and women in each quartile



"Creating a workplace that is fit for the 21st century, is not only the right thing to do, but it is good for business. I am a big believer in the value of diversity: diversity of talent, of thought and of skills – and at all levels of the company. At Fortnum's, we strive to embrace it in all its forms, so that we can thrive and grow together and as individuals. Diversity, after all, breeds variety and fosters innovation. It challenges our perspectives, encourages us to embrace change and to reach to greater heights. It is the bedrock of our sustainability."

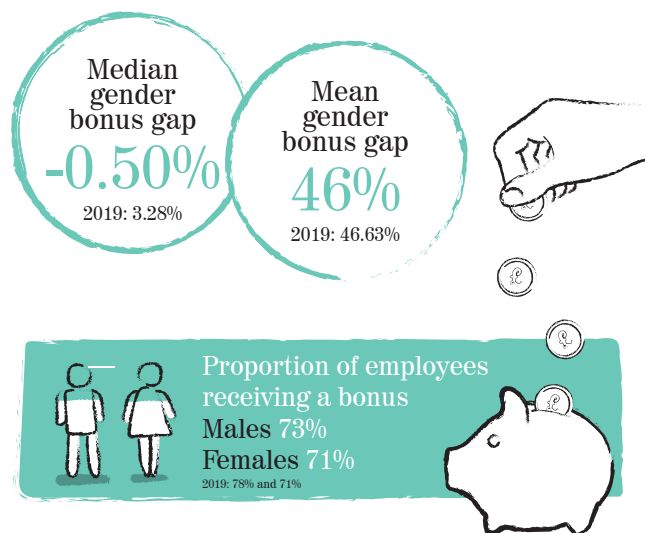
Tom Athron, Chief Executive Officer



# Our gender pay gap



The **gender bonus pay gap** calculation was based upon those eligible for bonus – a total of 581 people, with 73% of men and 71% of women being eligible. The **median gender bonus pay gap** dropped to -0.50% (2019: 3.28%) whilst the **mean gender bonus pay gap** stayed largely unchanged at 46% (2019: 46.63%).



The information being published relates to employees of Fortnum & Mason PLC on the UK government snapshot date of 5 April 2020. The ordinary pay gap relates to pay received in the period of April 2020. The bonus gap relates to variable payments received in the 12 months to 5 April 2020, which includes the 2019 bonus paid in December 2019. I confirm that the gender pay gap data in this report is accurate.

**Justin Carmichael**, Chief Financial Officer, Fortnum & Mason



"Fortnum's is really serious about creating a sense of belonging for all its people, after all it's what makes us thrive! As part of our commitment, I'm taking on the role of Inclusion and Diversity Executive Sponsor. Our strategy strives to nurture inclusivity where our people feel listened to and trusted, and seeks to celebrate the diverse cultures of our teams. We intend to measure our progress and introduce clear reporting along the way. Our next step is to develop a network that is empowered to drive action in support of our strategy and help us create a more meaningful and thoughtful dialogue with our people; I am eager to establish this network and engage with them over the coming months."

**Jon Weg**, Chief Transformation Officer



# Our approach



## Celebrating Difference

Working with the broadest range of talent and embracing true diversity of thought and individuality is a key principle of Fortnum's. Attracting and developing people with a spectrum of skills, experiences and perspectives who truly share our values is our constant. This philosophy ensures we attract and retain the best fit for the role, regardless of gender, nationality, ethnicity, disability, age or sexual orientation. We recently started working with a number of organisations and charities – including Hotel School and The Clink Charity – to attract people who may otherwise not have considered a career with us, and to help them to develop their potential. After all, we know talent is everywhere and sometimes just needs the support to grow.

We want to create an environment which inspires people to be their best. To celebrate our role models, we hold quarterly values awards and last year we launched an annual Exceptional People Award platform, to celebrate significant contribution across three categories: exceptional service, outstanding contribution, and pioneering

and positive change. Voted for by our people, these awards seek out stars in our midst who reflect our brand, and strive for progress in everything they do.

## Supporting Parents

We know that life-changing events, such as welcoming a new child to the family, can have a great impact. We want to support our parents so they can feel their best, both at work and at home. To that end, at the beginning of this year we launched a Family Network designed to bring mothers and fathers together to share experiences and offer support through the many changes and challenges experienced as a parent. The network provides practical assistance in working through the various stages of parenting, managing conflicting priorities and the steps to ensure a smooth, productive and positive transition back into work following maternity and paternity leave, as well as career planning and how to maintain confidence after having a child. It is designed to support parents of children at all ages. A very live issue is the impact of the Covid-19 pandemic on children of school age. Our network will offer valuable support in navigating the reopening of schools, and beyond.



"I am very pleased to work for a company that values and rewards diversity in all its forms. As a female team leader in the finance area I have always felt encouraged and empowered to recruit the best people for a given role regardless of their gender, ethnicity or background. This resulting diversity enriches the team at Fortnum's and makes it a more dynamic and rewarding place to work."

**Gia Tang, Finance Manager**

# Our approach



## Supporting our people

We know the power of listening to our people. We wouldn't be able to create an inclusive environment without it. In 2020, we created more opportunities than ever before to listen to our teams. We ran three pulse surveys to help us understand how covid-19 was impacting our people and what we could do to support them best; we also ran our global annual Employee Opinion Survey which saw over 71% of our teams take part. These channels are incredibly important and will continue to allow us to hear from, learn from and respond to the needs and ideas of our people. With wellbeing being an even greater priority throughout the pandemic – both in terms of physical and mental health – we ran a number of campaigns and training internally to help navigate the challenges faced by us all. And whilst everyone worked flexibly over this time, we also took the opportunity to transform the office environment, so that our teams will be free to work more dynamically in the future too.

## Continuous Learning

Like many business, the pandemic has greatly impacted the way we deliver our learning

solutions. From product knowledge to technical skills and management skills, it has been essential that we continue to provide opportunities for everyone at Fortnum's to learn and grow. With much of our learning materials becoming digital and self-led, we have been able to empower people, across all parts of the business to take greater control of their learning needs, and have made content accessible to more people.

We have also worked hard to adapt our onboarding experience so that a new team member joining us is given the best possible start at the company.

Performance matters to us too. To create high performing teams that help us deliver the exceptional, we need to take the time to understand them, their strengths and how they can develop to achieve their full potential. Looking to the future, a new performance management approach will be rolled out across the business giving more rigour and clarity of focus for all our team members.

“Having worked at Fortnum's for many years now, and throughout that time becoming a mum of two, I've always been encouraged and given the platform to balance motherhood whilst continuing to develop my career in hospitality - across different areas. And I've seen many other mums doing the same.”

**Annika Morris**, Sous Chef

