

FORTNUM & MASON  
EST 1707

# Gender Pay Gap Report



2019

# Introduction

---



**Kate Hobhouse**  
Chairman

Fortnum's is a family business, and central to family is celebrating and embracing what makes each of us unique – valuing the different ideas and thinking we each bring to the table in pursuit of a common purpose. Fostering close connections and working together has been, and will continue to be, hugely important to how we work – both now and in the future. This is because the diversity of our ideas and thinking, in pursuit of delivering joy to our customers, are what allow us to achieve magnificent things.

The UK government's legislation on gender pay, highlights the importance of nurturing these values and ensuring that we are a champion for gender equality, diversity and inclusion. We believe in attracting the broadest range of talent, and in embracing individuality. We actively strive to build a culture of respect where people are empowered to succeed, where difference is valued and everyone can be themselves.

We are fortunate to currently enjoy the diversity of over 65 different nationalities and a very even distribution of men and women across the company, at all levels. This is very important to us, as we are committed to ensuring that diverse groups are fully and properly represented at all levels of the company.

Our 2019 gender pay gap remains negligible, which is consistent with previous years. Whilst very heartening, we won't rest in our ambition to attract the broadest and most diverse talent to Fortnum's and to help our people to thrive so that they can build varied and satisfying careers with us, and be rewarded as such. The magic of Fortnum's is after all, its people.



April 2020

# Measuring the gender pay gap



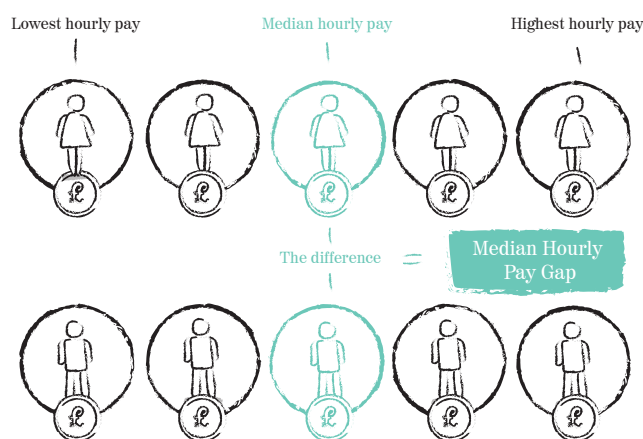
The gender pay gap shows the difference in average pay between women and men. This is different to equal pay which relates to the pay men and women receive for the same role or work. All companies with over 250 employees within the UK must report their gender pay gap, across four categories:

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

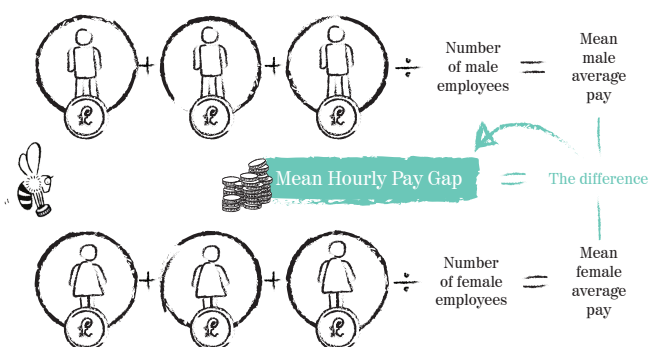
As of 5 April 2019 (the date of reporting) Fortnum & Mason comprised of 4 stores and 9 hospitality outlets, employing people across three core areas: Retail, Hospitality and Head Office, in a range of disciplines from Chefs to Waiting Staff, Sales Associates to Buyers, to HR professionals and Replenishment assistants and everything in-between. At the time of reporting, Fortnum & Mason employed 909 permanent and fixed term employees; 51% women and 49% 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 788 full pay relevant employees.

## How we calculate the median difference



## How we calculate the mean difference



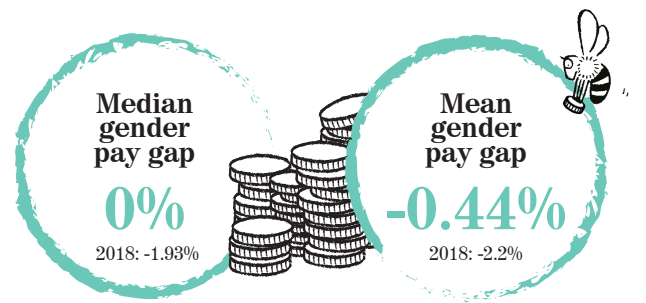
# Our gender pay gap



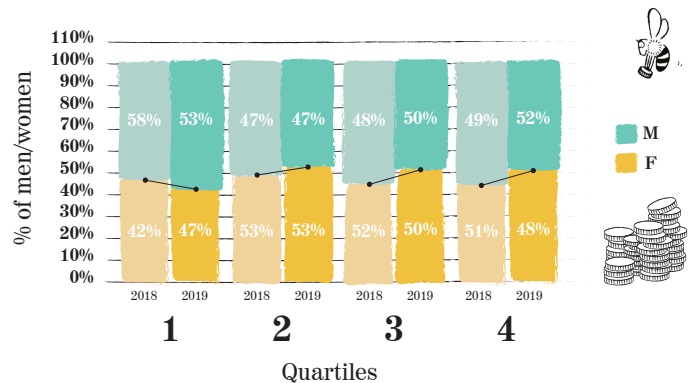
As of 5 April 2019, the **median gender pay gap** at Fortnum & Mason was 0% (2018: -1.93%). This is consistent with previous years' results, which have all been significantly below the national average (2019: 17.3% according to Office for National Statistics) and all within 2% of the neutral point of 0%.

The **mean gender pay gap** was -0.44% (2018: -2.2%). This figure has shifted as a result of a more even number of women and men working at Fortnum's (50:50 men and women in 2019, versus 51% women in 2018). In 2019, 48% of our upper pay quartile consisted of women, compared to 47% in 2018.

Our mean gender pay gap remains consistent across all levels of Fortnum's – reflective of an even distribution of men and women.



## 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."

Ewan Venters, Chief Executive Officer

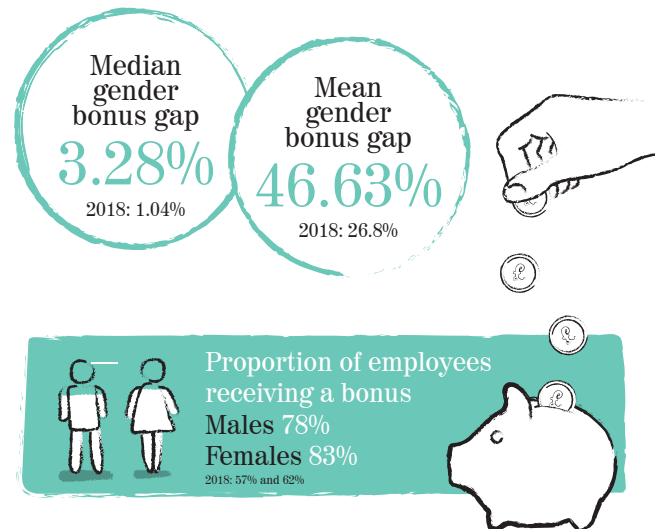


# Our gender pay gap



The **gender bonus pay gap** calculations were based upon those eligible for bonus – a total of 522 people, with 78% of men and 83% of women being eligible.

The **median gender bonus pay gap** widened to 3.28% (2018: 1.04%) as did the **mean gender bonus pay gap** at 46.63% (2018: 26.8%).



The information being published relates to employees of Fortnum & Mason PLC on the UK government snapshot date of 5 April 2019. The ordinary pay gap relates to pay received in the period of April 2019. The bonus gap relates to variable payments received in the 12 months to 5 April 2019, which includes the 2018 bonus paid in December 2018. I confirm that the gender pay gap data in this report is accurate.

Justin Carmichael, CFO, Fortnum & Mason



"I'm extremely proud that diversity in our company is the genuine outcome of finding the best people for the job. We actively seek out brilliant people to do brilliant things with our brand, and the benefits of a diverse workforce are endless. Not only does it make the company a more interesting place to work but different and new perspectives encourage greater quality of thought, creativity and problem solving."



Zia Zareem-Slade, Customer Experience Director

# Our approach



## Celebrating Difference and Role Models

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. And is reflective of the diversity of our employee population – with 65 different nationalities, spanning ages 18 to 87.

Recognising the importance of role models to rising female talent, we also have a large number of women in leadership positions across the company: our Chairman is female, and the ratio of men to women on our executive board is 4:3 in terms of gender. We are fortunate that several of our senior women are regularly voted as leading women in the luxury retail sector and hospitality industry each year. We also actively promote internal promotions and look to internal talent to fill positions before we recruit

externally.

Equally, to celebrate our role models, we hold quarterly values awards and last year we launched an annual Exceptional People Awards, to celebrate significant contribution across three categories: exceptional service, outstanding contribution, and pioneering and positive change. Voted by our people, these awards seek out stars in our midst who reflect our brand, and strive for progress in everything they do.

## Listening to our People

In 2019, we revitalised our Employee Opinion Survey and opened up more channels for listening to our people than ever before, allowing us to hear, learn and respond to their needs and ideas. With our teams' wellbeing a top priority we launched mental health awareness training for our managers to support their teams, and many of our people in Head Office are now enabled to work more flexibly, so that they can embrace different working environments and manage their work on a more dynamic basis.



"I am proud to work within a company that has always welcomed talented people from every walk of life. The diverse nature of Fortnum's, enables us to make authentic connections with the diverse customers we serve".

**Oliver Hanley**, Supervisor, Retail

# Our approach



## Continuous Learning

In 2020 we launched a learning and development calendar, open to all our team members, giving them access to a wide range of training and workshops so that they can develop their skills. From product knowledge to technical skills and management skills, we provide opportunities to everyone at Fortnum's to learn and grow – with almost 800 people attending training between October 2019 and January 2020.

We also recently rolled out a number of management programmes - one for leaders, one for current managers and even a special programme for those who may soon become managers for the first time. We want to create leaders at all levels of the company and to give our people every opportunity to invest in themselves and their careers.

## Family Friendly

We know how much of an impact life changing events, such as welcoming a new child to the family, can have on our team members. We want all parents to be able to thrive, both at work and at home. To that end, we are launching a Family & Parenting Network designed to bring mothers and fathers together to share experiences and seek support. With a particular focus on supporting men and women both prior to and post maternity and paternity leave, we will provide assistance in career planning and objective setting, how to regain confidence, the realities of modern parenthood, how to manage conflicting priorities and what steps to take to ensure a smooth, productive and positive transition back into work.



“Having been in the hospitality industry for over 20 years, it’s exciting to see how things have changed, including more women in influential positions. Having a mixture of men and women in roles of sommeliers, chefs and restaurant managers has transformed the whole dining experience to truly reflect the diverse needs and wants of our customers. The Hospitality industry is on a journey, but I am proud to work for a place that values the views and input of everyone.”



**Nola Sheng**, Hospitality Experience Manager