

HARVEY NICHOLS

Gender Pay Gap Report 2023



Introduction from our Group HR Director, Julie Holdaway

As per previous years, we have approached the Government's Gender Pay Gap initiative with full transparency, utilising the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. In this report – again, as is usual – we have published the data for our separate legal entities, as well as an overall picture of our Group of companies.

Gender equality continues to be a priority for Harvey Nichols, and we will continue to review and interpret these results with our Group Diversity Forum. I am also delighted to confirm that, as of this year, we have the newly-appointed role of Group Equity, Diversity, Inclusion & Wellbeing Manager to further focus on and implement our EDI strategy within Harvey Nichols.

As Group HR Director for Harvey Nichols,
I can confirm that the information in our
Gender Pay Gap statement is accurate.



A handwritten signature in black ink, appearing to be 'JH' followed by a stylized flourish.

Julie Holdaway
Group HR Director

Message from our Group EDI & Wellbeing Manager, Pun'am Gill

Equity is a priority for Harvey Nichols – the Gender Pay Gap report provides valuable insights into representation and pay, while promoting transparency and accountability. Alongside this, we are conducting further in-depth analysis to look at our figures at a granular level.

Beyond compliance, we are adopting a people-centred approach, leveraging both lived experiences and identities with quantitative data; this is key to uncovering disparities and eliminating inequality at both micro and macro levels. The focus this year is to establish our three-year Diversity and Inclusion strategy, to define standards and develop proactive measure to drive equitable change.

We are committed to developing D&I initiatives across our eco-system to improve equity for all and create an inclusive, fair and healthy workplace culture.



Pun'am Gill
Group EDI & Wellbeing Manager

Our Data

In this report, we are publishing the data for our separate legal entities and an overall picture of our Group of companies, as per the snapshot date of 5 April 2023.

This year's report consisted of 1,505 employees at the snapshot date, of which 1,414 were full-pay relevant.

We welcome the opportunity to be transparent with our Gender Pay Gap data and recognise its significance in contributing to gender equality.

We are required to calculate and report the below information:

1. Mean gender pay difference in hourly pay.
2. Median gender pay difference in hourly pay.
3. Mean bonus gender pay difference.
4. Median bonus gender pay difference.
5. Percentage of men and women employees in each pay quartile.
6. Percentage of men and women employees receiving a bonus payment.

Gender Pay Gap Explained

What Is the Gender Pay Gap?

The Gender Pay Gap is defined by The Equality and Human Rights Commission (EHRC). It is based on the difference between the mean and median hourly pay rate, expressed as a percentage. The data includes employees that self identify as male or female.

The Difference Between Gender Pay and Equal Pay

The Gender Pay Gap is different from equal pay. Equal pay is covered by the Equality Act 2010, and requires employers to pay men and women the same for work of equal value.

Methodology Explained

A positive percentage shows that, on average, women have lower pay and bonuses than men.

A negative percentage shows that, on average, men have lower pay and bonuses than women.

A zero percentage shows that, on average, men and women have equal pay and bonuses.

Bonuses have been included in the hourly pay for employees applicable for bonuses paid during the relevant period.

Calculations Explained – Quartiles

To calculate the proportions of males and females in each quartile, the hourly rates for both men and women are arranged from lowest to highest, regardless of gender. Each pay quartile represents 25% of our total workforce ranked by pay.

Data is calculated on the percentage distribution of males and females in each quartile:

Lower quartile.

Lower middle quartile.

Upper middle quartile.

Upper quartile.

Calculations Explained – Mean

The mean difference is calculated by **adding** the total hourly pay for all men, **dividing** that figure by the total number of male employees, and carrying out the same process for female employees – to end up with an average hourly rate for men and women.

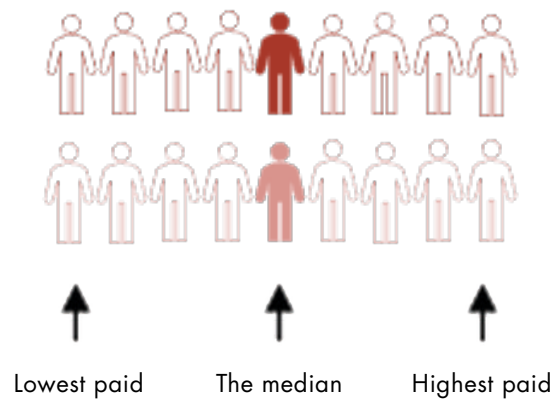
To calculate the mean pay gap, the average hourly rate for women is compared to the average hourly rate for men and expressed as a percentage. The same method is used for the mean bonus.



Calculations Explained – Median

To calculate the median pay gap, the hourly rates for men and women are **arranged from lowest to highest** individually. The median value is the **midpoint** of each group.

The median hourly rate for women is compared to the median hourly rate for men and expressed as a percentage. The same method is used for the median bonus.



Harvey Nichols Group Results – Overall

Gender proportions



Headcount = 1,505

Mean Gender Pay Gap

(-4.6% in 2022)

-4.8%

2023

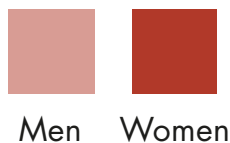
Median Gender Pay
Gap

(-9% in 2022)

-2.2%

2023

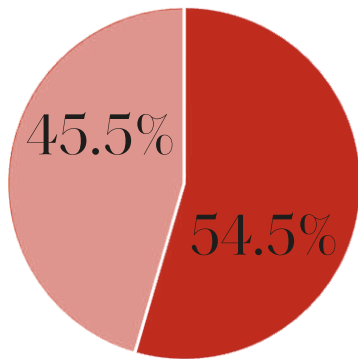
There was a slight change in the mean hourly pay gap from the previous reporting year – from -4.6% to -4.8%. There was a larger change in the median hourly pay gap, from -9% in 2022 to -2.2% in 2023. The negative figure for the mean and median is a result of the hourly pay gaps being in favour of women. **This is a result of the number of women in senior leadership, management and specialist roles within our Company.**



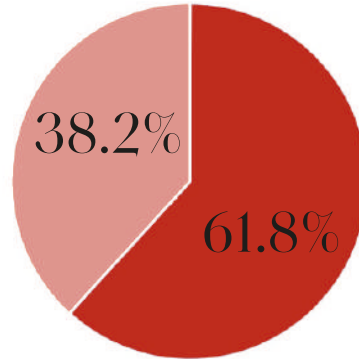
Pay Quartiles

Percentage of headcount in each quartile contributing to overall mean and median Gender Pay Gap.

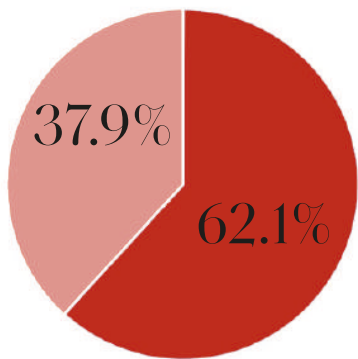
Lower quartile



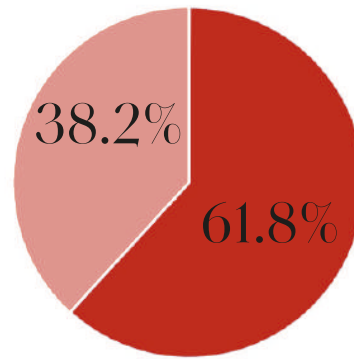
Lower middle quartile



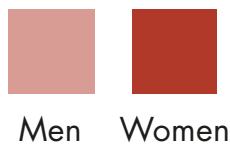
Upper middle quartile



Upper quartile



Our quartile results show that overall, **women account for the largest proportion** in all quartiles. In the top quartile, they account for nearly two-thirds, reflecting the number of **females in senior leadership** roles. Data also shows that the number of female employees in the lower middle quartile has increased by 9.9% from 51.9% in 2022 to 61.8% in 2023, representing an increase in women in lower-paid roles.

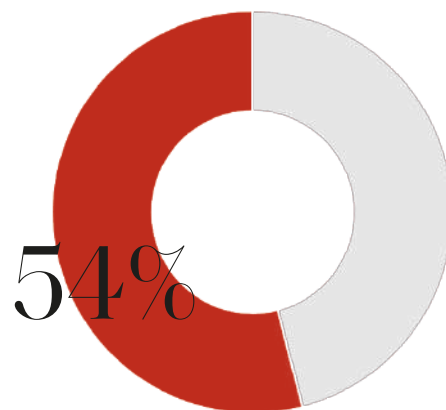
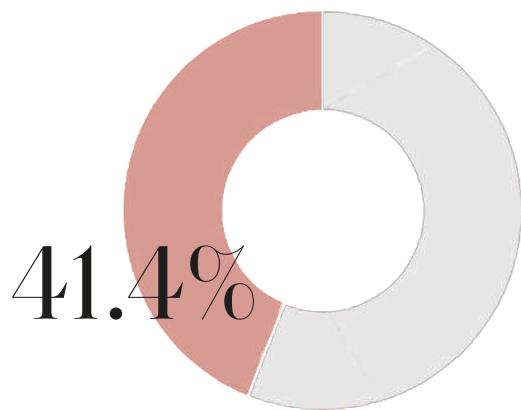


Bonuses

Percentage of men and women
receiving bonus pay

Men

Women



Mean gender bonus
gap
(10.2% in 2022)

-1.0%
2023

Median gender bonus
gap
(-5.7% in 2022)

-2.9%
2023

Data reflects a similar pattern to our overall results where, on average, women are paid a higher bonus than men, attributed to the proportion of women in senior roles.

Bonuses

We reward employees with bonus payments and our calculations consist of payments relating to profit sharing, performance, incentive and commission schemes.

The tronc payments received by our hospitality employees are not controlled or administered by the Company and are therefore not included in this definition. Data only includes employees who are eligible for bonuses during this reporting period.

As with the previous reporting period, our median bonus pay gap is skewed toward women. However, the gap has reduced due to an increase in male employees eligible to receive a bonus.

Results Across Our Legal Entities

COMPANY	Harvey Nichols and Co. Limited		Harvey Nichols Restaurants Limited	
LOCATIONS	Knightsbridge, HN Online & Head Office		OXO	
HEADCOUNT	748		175	
GENDER PROPORTIONS	66% Female / 34% Male		34% Female / 66% Male	
HOURLY SUMMARY				
Mean gender pay gap in hourly pay	-1.8% (-3.0%)		-1.1% (4.6%)	
Median gender pay gap in hourly pay	-3.4% (-5.9%)		5.9% (0.0%)	
BONUS SUMMARY				
Proportion of male relevant employees with bonus pay	54.1% (24.3%)		4.3% (0.0%)	
Proportion of female relevant employees with bonus pay	50.5% (26.0%)		1.7% (1.7%)	
Mean gender pay gap in bonus pay	-15.5% (0.9%)		-142.9% (0.0%)	
Median gender pay gap in bonus pay	0.0% (-27.8%)		-147.8% (0.0%)	
QUARTILE SUMMARY				
	Female	Male	Female	Male
Lower quartile	60.5%	39.5%	26.8%	73.2%
Lower middle quartile	68.6%	31.4%	51.2%	48.8%
Upper middle quartile	66.9%	33.1%	30.0%	70.0%
Upper quartile	66.3%	33.7%	20.0%	80.0%

COMPANY	Harvey Nichols (Own Brand) Stores Limited		Harvey Nichols Regional Stores Limited	
LOCATIONS	Birmingham & Bristol		Leeds, Edinburgh & Manchester	
HEADCOUNT	138		413	
GENDER PROPORTIONS	59% Female / 41% Male		61% Female / 39% Male	
HOURLY SUMMARY				
Mean gender pay gap in hourly pay	-7.3% (-4.0%)		4.7% (1.9%)	
Median gender pay gap in hourly pay	-0.6% (-6.7%)		0.0% (0.0%)	
BONUS SUMMARY				
Proportion of male relevant employees with bonus pay	57.1% (50.0%)		44.4% (50.6%)	
Proportion of female relevant employees with bonus pay	70.7% (58.9%)		66.0% (63.1%)	
Mean gender pay gap in bonus pay	22.3% (43.4%)		1.1% (1.9%)	
Median gender pay gap in bonus pay	-9.9% (-16.1%)		-11.8% (-16.2%)	
QUARTILE SUMMARY				
	Female	Male	Female	Male
Lower quartile	58.8%	41.2%	61.0%	39.0%
Lower middle quartile	55.9%	44.1%	56.4%	43.6%
Upper middle quartile	52.9%	47.1%	67.7%	32.3%
Upper quartile	69.7%	30.3%	58.6%	41.4%

Next Steps

The Gender Pay Gap is a significant part of our Equity, Diversity & Inclusion (EDI) strategy, and is a facilitator in ensuring that we are an equitable employer that supports diversity and takes actions to eliminate bias. The report overall shows favourable results for women, yet when we look at individual entities, the data varies by location and type of service.

Hospitality shows that women in the middle of the female pay range received 5.9% less than the male in the middle of the male pay range. Our next steps are to explore the data further, to identify the root cause of disparities and provide effective interventions, policies and practices to eliminate inequality.

Launch Diversity & Inclusion Survey

The survey aims to capture anonymised data to assess the Company's current diversity landscape and our employees' experiences; providing valuable insights to identify any systemic issues and disparities. This is a critical component in informing our near- and long-term strategic approach, spotlighting opportunities for improvement and driving equitable and sustainable change across the Company.

Introduce Equal Opportunities Monitoring

This will form part of our onboarding process to monitor and improve diversity and inclusion at work. It is an enabler to inform policies and support fair practices across all protected characteristics set out by the Equality Act 2010.

Diversity Audit

Over the next two years, we will undertake an audit of Company policies and procedures to assess their relevance and effectiveness. We will work towards establishing best practices and measurements aligned to the Company's goals, social and legal obligations – in turn, driving quality standards as a tool for sustainable continuous improvement.

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