

A woman with short brown hair, smiling, stands in front of a stone building with classical architectural details like columns and a window with a flower box. She is wearing a white lace long-sleeved top and a white pleated skirt, and is holding a black bag.

RiverIsland

United Kingdom

Gender Pay *Report*

5th April 2023

A Note From Our Chief People Officer

At River Island, we believe in developing a culture where everyone feels they belong and can bring their authentic selves to work. When this happens, our colleagues are more engaged, and are empowered to make a more meaningful contribution to work and the world around us. This belief underpins our longstanding equity, diversity and inclusion (EDI) agenda, and drives our commitment to making a positive difference within our organisation and the communities in which we operate.

In this report, we provide our gender pay gap information for our UK business. We're committed to delivering initiatives to improve how we attract, engage, and develop women, and other represented groups.

Our UK median gender pay gap increased from 5.4% to 10.1%, while the mean gender pay gap increased from 25.2% to 32%. The increase in the hourly pay gap is partially influenced by an increase in men in the upper pay quartile; however, women still have over 70% representation in this pay quartile. The pay gap continues to be influenced by the 82% representation of women in the lower pay quartile.

We are proud to have a strong representation of women in all our pay quartiles, with our upper and upper middle quartile demonstrating a high number of females in senior roles.

At River Island, we want to consistently deliver excellent customer experience every day. We are striving to do this with a team that truly represents the communities in which we live, work and serve.

The initiatives we outline in the following pages will apply across our business, as we try to ensure fairness and equity for all our employees, no matter where they work.

Kirsty Homer
Chief People Officer

Gender Pay Gap Explained

The Gender Pay Gap is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same/similar jobs or work of equal value. Equal pay is an employer's legal obligation to give men and women equal pay for equal work.

The gender pay gap shows the difference between the average pay of all women compared to the average pay of all men within the organisation, across all job roles. Therefore, the gender pay gap is therefore a measure of whether all roles are evenly distributed between men and women and, critically, whether women are equally represented at the highest levels of the organisation.

This means that the representation of male and female colleagues within our business will have an impact on the gender pay gap. As with many retail organisations with a focus on womenswear, our gender pay gap at River Island is strongly influenced by the high percentage of female colleagues in our stores and the type of roles they undertake.

A positive figure indicates a pay gap in favour of men and a negative figure indicates a gap in favour of women.

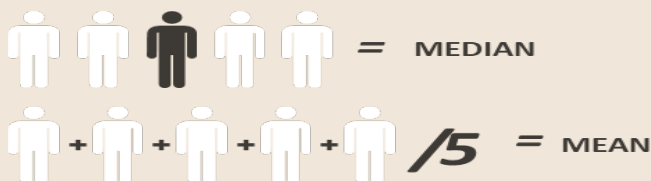




HOW DO WE CALCULATE THE PAY GAP?

Calculating the mean: The mean gender pay gap is the difference between the average hourly rate of pay for women, compared to the average hourly rate of pay for men within a company and is expressed as a percentage.

Calculating the median: The median is the middle point of a population. Imagine you had two rows: one containing all the women's hourly rates of pay from highest to lowest, and in another row containing all the men's hourly rates of pay from highest to lowest. The median pay gap is the percentage difference between the middle female's hourly rate of pay compared to the middle male's hourly rate of pay.



HOW DO WE CALCULATE THE BONUS PAY GAP?

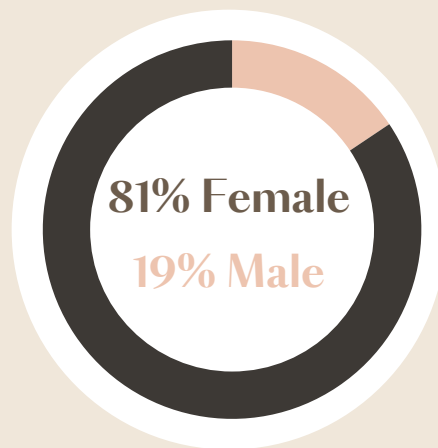
We calculate the bonus gap based on the actual bonus paid to our colleagues in the 12 months prior to April 2023. Pro-rated amounts (rather than full-time equivalents) are used for part-time colleagues.

Our Workforce

We are proud to report a high percentage of female representation in the business with women accounting for **81%** of our UK workforce. Of that 81%, women represent **70.3%** of our highest pay quartile.

This demonstrates that women are able to make it through to the top roles within our UK business and are well represented at all levels.

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Gender pay gap regulations mean we must identify our people as either male or female. However, we recognise that gender identity is not always binary, and we have adapted our HR system so our colleagues can identify themselves as they prefer as the Island is and will always be a safe place regardless of gender.



Gender Pay Gap

Our Travel, Car and Call Out allowances have had an influence on the hourly pay gap figures. Under the gender pay gap legislation for the UK, this is calculated as:



Our median gender pay gap is 10.1% (an increase of 4.7% compared to last year) and the mean gender pay gap is 32% (an increase of 6.8% compared to last year). The increase has been influenced by a 4% increase in men in the upper pay quartile compared to last year.

10.1%
MEDIAN
GENDER PAY GAP

32%
MEAN
GENDER PAY GAP

The median is lower than the ONS UK median of 14.3% for both full time and part time employees, however, above the retail industry median of 4.4%. The retail industry median does however include online retailers who have a different business model and roles within their business, as they operate solely online.

Some of our highest earners continue to be women, demonstrating that women can make it to the top in our organisation. Some 81% of our workforce are women – which reflects our key customer



GENDER PAY GAP

PART TIME GENDER PAY GAP

MEAN

32%

-5.7%

MEDIAN

10.1%

-3.3%

Our mean gender pay gap shows a disparity in favour of men. Our data shows that this is because the pay gap between men and female earnings widens in the upper quartile.

An influencing factor on our reported increase in the mean pay gap is a reduction in females in the highest quartile from 74% last year to 70.3% this year. Male pay has also increased in the same timeframe. We have good female representation in senior roles and have made some recent appointments which will reflect positively in next year's report.

The part time figures are in favour of women. This is reflective of the larger numbers of part time women and indicates that part time women are not constrained to the lowest job roles in our business.



BONUS PAY GAP

Our mean bonus gap is -394% and relates to a very small number of people (0.5% men and 0.9% women) who were stepping up to cover a role and a few one-off performance related payments.

We did not pay out a group bonus, so this does not reflect the overall trend across our workforce.



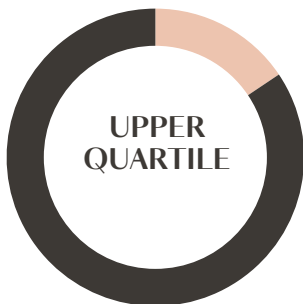
Our Pay Quartiles

The pay quartiles rank all colleagues' hourly pay across the business from lowest to highest, and are divided into four groups. The lower quartile represents our entry level roles, while the top quartile represents the most senior roles in the structure, which are our highest paid roles.

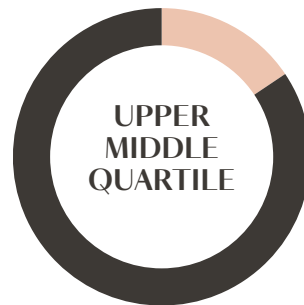
Whilst the percentage representation of women in the upper quartile has decreased slightly compared to last year, it's still 70%, and the percentage representation in the upper middle quartile has increased compared to last year.

Overall, 80% of our workforce is female so we would still regard this as a strong representation.

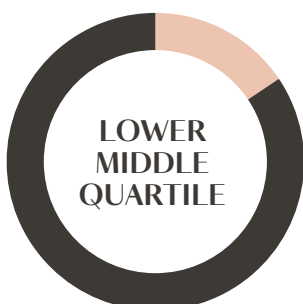
While our results are generally positive, we are committed to maintaining and further improving this position and aim to increase the number of women through middle management and senior leadership roles in the wider business. We strive to remove any potential barriers that could prevent women from obtaining these roles, such as providing the right training and offering more flexible working opportunities in senior roles.



MALE 29.7%
FEMALE 70.3%



MALE 17.9%
FEMALE 82.1%



MALE 18%
FEMALE 82%



MALE 17.5%
FEMALE 82.5%



OUR PLANS AND PROGRESS

ATTRACTING TALENT

Working closely with our partners, we are continuously reviewing and evolving our talent acquisition practices, helping us to attract a diverse range of talent for roles across the business.

CREATING OPPORTUNITIES TO GROW AND DEVELOP

We continue to provide wider opportunities through our Talking Performance programme, and personal development plans to aid the development of our people and support their career journey with River Island.

We have launched and continue to deliver on an internal psychometric development tool to be more inclusive. Using Insights Discovery across all the teams has allowed leaders and individuals to understand their own communication preferences, as well as their leadership, management and influencing styles. This will help foster higher team engagement, enabling and empowering individuals to perform at their best and continue building a more inclusive team and business culture.

We continue our partnership with Diversity in Retail and have engaged in a number of their leadership development programmes and remain committed to using the learning and delegates' experience to strengthen our commitment to career progression for everyone.

We have launched our Inclusive leader workshops to provide a safe space to learn and create inclusive cultures for our leaders and managers. By launching this programme we will be able to support our inclusive culture.

CELEBRATING CULTURE

We celebrate a range of cultural moments, encouraging our colleagues to share their stories and experiences to create a sense of belonging and learning. We are always looking at new ways to connect with our colleagues, to understand more about their journeys at River Island and how we can make their experiences even better.

IMPROVED FAMILY LEAVE OFFERING

Supporting Colleagues During Health Related and Personal Life Events

We have continued to support colleagues going through health related and personal life events. On World Menopause Day, we launched menopause guidance for colleagues and managers, to support those experiencing the menopause. Partnering with Henpicked, we hosted a webinar on menopause in the workplace for all colleagues, to highlight the support available as well as raise awareness across the business.

We are committed to developing a workplace culture with zero tolerance for abuse of all kinds. We have launched guidance for colleagues who are experiencing domestic abuse, offering a broad range of support to help them seek necessary assistance and regain stability in their personal lives. As part of this, we have also introduced guidance for our people managers, focused on how best to support their team member during these difficult times.

PARTNERSHIPS

In addition to our Allies and Your ID communities, we have created new, Islander led communities to provide support, advice and a safe space for our people.

- **FACE** – Families and Carers Engaged. This community is a place for families and carers to communicate, sharing advice and tips.
- **PROUD** – Our space for LGBTQ+ Islanders to share and receive advice and guidance.
- **WOMEN IN TECH** – This community empowers women on the Island, to share knowledge, improve skills, as well as providing mentoring and career advice.

We have partnered with Diversity in Retail to benefit from their industry leading experience, so that they can provide guidance and advice on our EDI strategy, helping us create a safe place for Islanders to thrive.

We continue to work with our trusted partners the Business Disability Forum, using their experience to help us introduce policies to support neurodiversity and disabilities across the island.

Our Commitment

At River Island, we're on a journey to make a difference through continually listening and constantly challenging ourselves to think and act differently. We value diversity and celebrate the cultures, personalities, and preferences of our people within the communities in which we operate.

