INTRODUCTION

Welcome to The Perfume Shop’s 2022 Gender Pay Gap Report, which covers the period from April 2021 to April 2022. In this report, we will be updating you on our Gender Pay figures which were impacted to a lesser extent by the Covid-19 pandemic than in 2021.

Throughout the period, we have continued to put People at the heart of what we do, whether that’s our customers who shop with us every day, or our teams who you will hear us refer to as our Perfume People. Our company values of ‘We’re Expert, We’re Passionate and We Care’ drive everything we do and you will see these shine through in the initiatives we have highlighted in this report. We continue to support the growth of all our teams through investment in our digital learning platform, learning events and our development programmes. This fuels our desire to Grow our Own and provide opportunities for all, a key element of our Feel Good When You Smell Good Social Purpose, which you can find more details on HERE.

This reporting period has also seen us celebrate our 30th Birthday, which was the opportunity to recognise all of the fantastic people who have contributed to our success over the years. We are very proud of our Blackpool Store Manager, Tracey Smith, who celebrated her 30th work anniversary with us too!

Recognition is important at The Perfume Shop and we were delighted to win Online Fragrance Retailer of the Year 2022 again, an outstanding achievement which saw Laura Croucher, Head of Digital, collect the award on behalf of all at The Perfume Shop. The evening event was cause for a dual celebration with Kathryn Robinson from our Crawley store winning the award for Fragrance Consultant of the Year, a fantastic accolade that we are really proud of.

The information contained in this report over the last few years has been skewed by the impact of Covid-19 and furlough payments. However as we look forward to 2023 we are excited to continue our work to ensure The Perfume Shop remains a great place to work and develop, supported by our Diversity, Equity and Inclusion practices, and that this is further evidenced in our Gender Pay Gap reporting.

Michelle Fellows
People & Development Director
March 2023
UNDERSTANDING THE GENDER PAY REPORT

In this report we have published both our mean and median gender pay gap - two methods of comparing the average rate of pay for our male employees against the average rate of pay for our female employees.

Gender pay gap figures show the difference in the average pay of men and women, regardless of the nature of their work, across a whole organisation. A gap can be driven by having an unequal number of men and women across different roles throughout the business.

Gender pay gap reporting regulations ask that companies report both the mean and median gender pay gaps.

Where there is a positive pay gap, this means that on average male employees are earning more than female employees. A negative pay gap would mean that on average female employees are paid more than male employees.

It is important to note that gender pay is not the same as equal pay for men and women. Equal pay comparisons involve a direct comparison between men and women doing the same, similar or equivalent work. Having a gender pay gap does not mean that an employer does not pay the same to both male and female employees, where they are working the same role.

HOW DO YOU CALCULATE THE MEDIAN GENDER PAY GAP?

Imagine if we asked all our male employees to stand in line in order of their pay, from the lowest hourly rate of pay to the highest. And then asked our female employees to do the same, in order of their hourly pay. The median gender pay gap is taken from identifying the male employee in the middle of his line, and the female employee in the middle of her line, and then looking at the difference in their hourly rate of pay.

HOW DO YOU CALCULATE THE MEAN GENDER PAY GAP?

The mean gender pay gap shows the difference in average hourly rates of pay between men and women. So simply taking an average across male or female employees regardless of their role and experience.

WHAT ARE PAY QUARTILES?

In addition to reporting the mean and median, we have also demonstrated the gender pay gap information in quartiles. These are calculated by listing the rates of hourly pay for each employee across the business from the lowest to the highest, and then splitting these into four equally sized groups, from the lowest paid quartile (Q1) to the highest paid quartile (Q4).
INTRODUCTION TO THIS YEAR’S GPG REPORT

In April 2022, the business employed 1765 people. Of those, 1476 were paid at 100% across the required timeframe and are included within this report. Given the impact of Covid-19 on our business in 2021 we were only able to report on 730 people in the report last year and this makes comparison to the 2022 report difficult however the 2022 cohort is a significantly larger proportion of the overall workforce and therefore provides a much more accurate picture.

Our median gender pay gap is 10.12%, dropping from 11.78% in 2021. Our mean gender pay gap is 21.88% which has increased from 17.46% in 2021, however the 2022 figure is more inline with our 2020 figure of 20.97% since the 2021 figure was based on a small cohort.

There are differences across gender pay gaps depending on location and type of role. The mean gender gap for our retail teams in stores is only 2.36%. Within our Head Office, the mean gender pay gap is -10.15% reflecting the high number of females within senior roles.

Our mean bonus gap for 2022 is 44.6%, down from 62%. Our median bonus gap is 40.61% down from 62.41%. These improvements have been driven by bonuses been paid out once again as trading has normalised and settled down after a challenging 2 years due to the pandemic.
INTERNAL PROMOTIONS

We are extremely proud of all the hard work our Perfume People have done throughout 2022. We LOVE our Grow Our Own Culture, so we wanted to share two Grow Our Own Stories from our amazing Team.

Honesty Gray, Store Operations Communications Coordinator
I started my journey with The Perfume Shop in 2011 as a Christmas Sales Advisor in Hemel Hempstead. Since then, I have been supported to progress into every role possible within a store team. Sales Advisor, Senior Sales, Designate Senior Sales, Deputy Manager, Counter Manager, Store Manager. In 2019 I got the opportunity to become a Dual Site Manager for Luton and Hemel which gave me the push to come out of my comfort zone and develop the skills I had learnt over my career with The Perfume Shop. This encouraged me to take on my current role as Store Operations Communications Co-Ordinator which I have been in since September 2022. I look forward to seeing where the next 10 years take me.

Emily Roskell, Brand Executive
I joined the Internal Communications Team at The Perfume Shop in July 2019 as an apprentice, studying for my Business Administration qualification and since then, I have been given so many opportunities to grow. Since passing my exam I went on to study a second apprenticeship in PR & Communications as well as being promoted to Internal Communications Co-ordinator. I then moved on to begin my dream journey as Brand Executive in the Marketing Team here at TPS. I’ve recently been promoted to Senior Brand Executive and I can’t wait to showcase my Talent, Passion & Spark in the next years to come.

ONLINE LEARNING!

We live and breathe a learning culture so we wanted to proudly share the stats from our Online Learning platform - DISCOVER!

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<thead>
<tr>
<th>Taken Modules</th>
<th>Gender Split</th>
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<tr>
<td>81,487</td>
<td>14% Male</td>
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<tr>
<td></td>
<td>86% Female</td>
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See our employee’s gender split highlighted below!

<table>
<thead>
<tr>
<th>Gender</th>
<th>Percentage</th>
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#GROWOUROWN