

GENDER PAY GAP
REPORT 2017

UNIQLO EUROPE LTD



When compiling this report we looked into both the mean and median gender pay gaps as required by the UK government. We also conducted some further analysis into any differences between the way in which we pay the men and women that make up our UK workforce.

We are proud to say that at UNIQLO UK, men and women receive equal pay for equal work. We are also happy to report that there is no gender pay gap in the median pay of men and women.

However, when looking at mean pay of men and women, like a large proportion of the retail sector, there is a significant gap which is largely driven by the majority of our store teams being women and the majority of our senior management being men. We see the identification of this gap as a first step to addressing it.

Taku Morikawa
CEO, UNIQLO EUROPE LTD

HOW THE GAP IS CALCULATED

The gender pay gap is the difference in average pay between men and women across a business regardless of job role. It is not the same as equal pay which is a direct comparison of like for like job roles.

The UK government requires all companies with more than 250 employees to report on both the mean and median gender pay gap. The mean gender pay gap is worked out by calculating an hourly rate for every man and woman based on what they were paid in April, then comparing the mean hourly rates of men and the mean hourly rates of women across all roles and personnel in the organisation. Median hourly rates are calculated by creating a list of all hourly rates and identifying a specific value that is located in the middle point between the lowest and highest values of the range. To calculate a median pay gap, such a list is created for both men and women at UNIQLO, and the two median hourly rates are compared.

We are also required to show the percentage of men and women in each of four pay quartiles. This is calculated by ranking the hourly rates of each employee from highest to lowest. This list is then divided into four sections containing an equal number of employees – quartiles – to show four distinct pay bands across the organisation.

All of the calculations include both ordinary pay and bonus pay and are based on data from April 2017.

PAY GAP

21%
MEAN

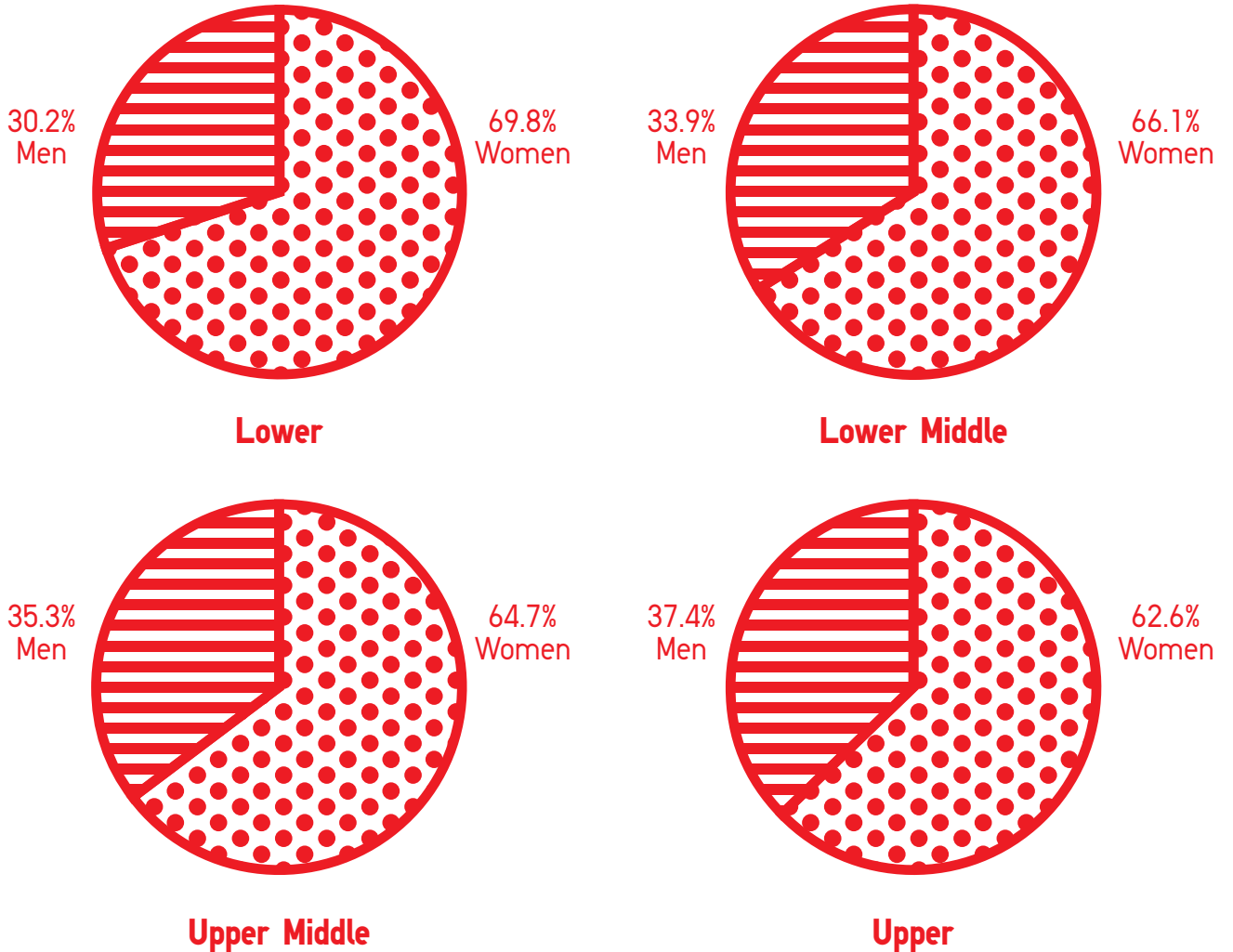
0%
MEDIAN

BONUS GAP

34.6%
MEAN

-60.6%
MEDIAN

QUARTILES



PERCENTAGE OF MEN AND WOMEN RECEIVING BONUSES

50.3%
Men

48.7%
Women

OUR COMMITMENT

We are committed to reducing the gender pay gap, and to providing the best opportunities to all of our employees. The representation of women is healthy and growing at middle management level at UNIQLO UK, and through focused career development this will lead to further senior female leaders in the future.

We also plan to take steps to encourage a greater number of men to apply to join retail at the entry level. To ensure we make good progress we will take the following steps:

Providing training on unconscious bias to all managers involved in making decisions on recruitment, pay and progression.

A review and action plan with all employees returning from extended time out of the business to ensure a smooth re-integration.

Introducing an "Ambassador" programme where key role models, including female leaders and aspiring male leaders, promote our business internally and externally to further improve attraction and retention of talent from all backgrounds.

Individual and accelerated learning plans for our high potential employees so they can increase their seniority in the business.

Focus groups to continually identify blocking points and actions which prevent people from progressing in the business.

Reviewing the reasons why people leave the business to identify any blocking points which may prevent people from staying and progressing.

Through these actions we are committed to having equal representation for men and women in the UNIQLO UK leadership team by 2025.

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