

**H U G O B O S S**

HUGO BOSS UK Ltd

Gender Pay Report 2018

## OUR CONTINUED COMMITMENT

One of the fundamental principles of our corporate culture is that everyone can and should contribute ideas and express their opinions at HUGO BOSS UK Limited. We create the space that makes this possible and have built a workplace characterised by flat hierarchies in order to encourage our core values of cooperation, mutual respect, quality, passion and innovation to flourish.

We are therefore committed to addressing the gender pay gap as identified in this document. All our employees are valued for their contribution, there is more we can do to ensure that we close this gap in the best interest of all our employees and the business.

The information in this report is an accurate reflection of the gender pay differences at HUGO BOSS UK Limited. The calculation used a snapshot of base pay on the 5 April 2018 and variable pay received in the 12 months prior to this date.

Stephan Born,  
Managing Director – HUGO BOSS UK Limited



## WHAT DOES THE REPORT SHOW

Under UK legislation that came into place in April 2017, businesses with more than 250 employees are required annually to publish data about their gender pay gap. This includes:

- The gender pay differences between male and females basic pay
- The gender pay differences between male and females for bonus
- The percentage of males and females receiving a bonus
- The number of males and females in each pay quartile\*

The gender pay gap does not measure equal pay, which relates to what women and men are paid for doing the same or similar jobs or work of equal value.

\*Pay quartile means how many females compared to men are paid in the top quartile, upper middle quartile, lower middle quartile and lower quartile of pay bands.

## HOW WE CALCULATE THE DATA

The gender pay gap is a measure of the difference in the average (mean) pay of males and females and the median (middle) – irrespective of their role, level and working hours – across the entire HUGO BOSS UK Limited business, expressed as a percentage.

For this report, we calculated our base pay data for all UK employees employed with us as of 5th April 2018 and variable pay received in the 12 months prior to this date.

The data is an accurate reflection of the gender pay differences in HUGO BOSS UK Limited.

At HUGO BOSS UK Limited, basic pay includes a basic hourly rate payment and commission pay. The majority of our retail colleagues receive commission pay each month. This is an uncapped amount and can vary by month and by year.

## HUGO BOSS UK LIMITED DATA

- Our mean and median gender pay gaps are both lower than the UK mean and median averages of 14.3% and 17.9%\*
- The HUGO BOSS UK Limited mean (average) female hourly rate is 8.8% lower than the HUGO BOSS UK Limited mean male hourly rate
- The HUGO BOSS UK Limited median (middle) female hourly rate is 2.0% lower than the HUGO BOSS UK Limited median male hourly rate

\*Office of national statistics

## PAY QUARTILES

	TOP	UPPER MIDDLE	LOWER MIDDLE	LOWER
FEMALE	36%	42%	45%	47%
MALE	64%	58%	55%	53%

## THE CONTEXT

HUGO BOSS UK Limited prides itself in developing and retaining internal talent. As a menswear brand there has been a history of a higher proportion of male retail employees, which has been reflected in senior level progression as our staff move through the company. This has an impact on our overall gender pay gap, particularly at a senior level.

Another contributing factor is that 43% of our female employees - versus 31% of male employees work part time in our store entry level roles - which impacts on the level of commission they can earn compared to their full time colleagues.

Since we last reported, the business experienced strong performance between April 2017 – April 2018, and during this period more employees (both male and female) were eligible for, and received, a bonus.

27% of females and 20% of males at HUGO BOSS UK Limited received a bonus.

The median bonus pay for females was 38% lower and the mean female bonus pay was 44% lower than that of a male employee in HUGO BOSS UK Limited during this period. While we have seen progress in the number of people – both male and female – receiving a bonus, as a result of the menswear apparel focus, there is still a higher proportion of men in positions eligible for a bonus which influences the median bonus pay percentage reported.

## THE OUTLOOK

HUGO BOSS UK Limited is committed to closing the gender pay gap and will continue to work on delivering initiatives to improve how we attract, engage and develop underrepresented groups including female talent. In 2019 we will therefore continue to address this issue:

### LISTENING TO OUR EMPLOYEES

HUGO BOSS UK Limited conducts an annual employee survey to understand how we can better create an inclusive working environment. Based on the results of our 2018 survey, we will be identifying and implementing pay grades across positions and increasing employee involvement in business decisions.

### CHANGING THE WAY WE WORK

In 2018, HUGO BOSS UK Limited launched a trial of flexi working in the London office. After a successful trial we confirmed this as ongoing benefit. In 2019 we will continue to review how roles can be operated more flexibly and the support required to facilitate this agile approach.

### RECRUITMENT PROCESS

At HUGO BOSS UK Limited we review our recruitment process on an ongoing basis to ensure we are effectively creating awareness of opportunities amongst all groups. We will continue to do this in 2019 and promote the different roles available. In an effort to attract talent we will continue to showcase the career paths of employees that have had successful careers with HUGO BOSS.