

Gender & Ethnicity Pay Gap Report 2024

"At N Brown, we know that diverse perspectives are key to driving innovation, so it's important that we create a space where our teams feel safe to express themselves openly."



INTRODUCTION

Inclusion and diversity promote innovation, growth, and improved business results, but most importantly they help to create equity. At N Brown, our vision is that by 'championing inclusion, we'll become the most loved and trusted retailer'. Inclusion is therefore a foundation on which our business is built, from our brands and the customers they serve, to within our business and culture. N Brown is committed to both building a diverse workforce and creating an inclusive environment that values equality for all. A key element of this is critically assessing our gender and ethnicity pay gaps.

Our award-winning Equity, Diversity, Inclusion and Belonging ("EDI&B") strategy, EMBRACE, was launched in 2022 and remains a key element of our wider business strategy. Our colleague communities have continued to represent the voice of our colleagues and provide guidance on actions we can take to improve the colleague experience, as well as helping to deliver engaging content to our colleagues to build their awareness on important topics surrounding EDI&B. Recognising that there is still work to do to create a truly diverse and inclusive business, we're now focusing on delivering strategic action and, during 2024, recruited an EDI&B Partner to continue to drive our EMBRACE strategy and its commitments forwards, including taking action to make improvements in our gender and ethnicity pay gaps. This includes working with GM4Women2028, a Manchester based charity aiming towards gender equality, to create gender positive representation across N Brown.

Whilst we've seen a very slight improvement in our 2024 gender pay gap, there remain two consistent drivers of the pay gap at N Brown

- **1. Gender split in senior roles:** There are more men in highly paid senior leadership roles within the business, in which women are currently under-represented.
- 2. The gender make-up of some of our teams, predominantly in our Digital Technology (DT) and Retail domains: In DT we have more men than women in highly technical (and higher paid) roles. Our Retail domain is home to 19% of the Group's junior to mid-level (and lower paid) roles, of which 82% are held by women.

One area of focus for EMBRACE has been to improve the data we capture and whilst we still need to do more to increase our disclosure rates, I'm pleased that this focus on data has allowed us to voluntarily publish our ethnicity pay gap this year for the first time, providing a benchmark from which we can move forwards from. You can read about this later in this report.

I remain fully committed to ensuring that we tackle the reasons behind our gender and ethnicity pay gaps and that - through the work of our EMBRACE strategy - equity, diversity, inclusion and belonging remain at the heart of this business.

Steve Johnson

Executive Chair and Group CEO

GENDER PAY GAP OVERVIEW AND KEY DEFINITIONS

WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference between the average (mean or median) earnings of men and women across a workforce. A positive percentage indicates that men, on average, are paid more than women and a negative percentage indicates that women, on average, are paid more than men.

The gender pay gap is different to equal pay, which addresses the pay differences between men and women carrying out the same or equivalent roles, or work of equal value. N Brown pays men and women equally for work carried out in the same or equivalent roles.

WHAT IS THE ETHNICITY PAY GAP?

The ethnicity pay gap measures the difference in average pay between our ethnically diverse and white colleagues, regardless of the work they perform. We are voluntarily publishing data which highlights the pay gap with our ethnically diverse colleagues, as part of our commitment to EDI&B.

Mean

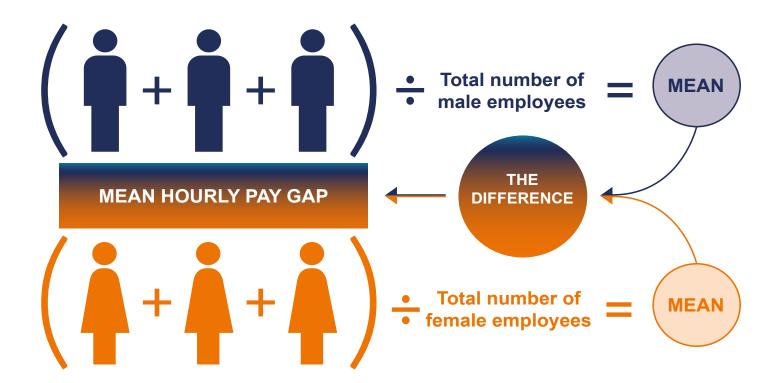
The mean is our average pay and is calculated by adding up all of our hourly rates of pay for men and women and dividing this by the number of colleagues included in the reporting period. The mean hourly pay gap is therefore the difference between the average hourly rate of pay between men and women.

Median

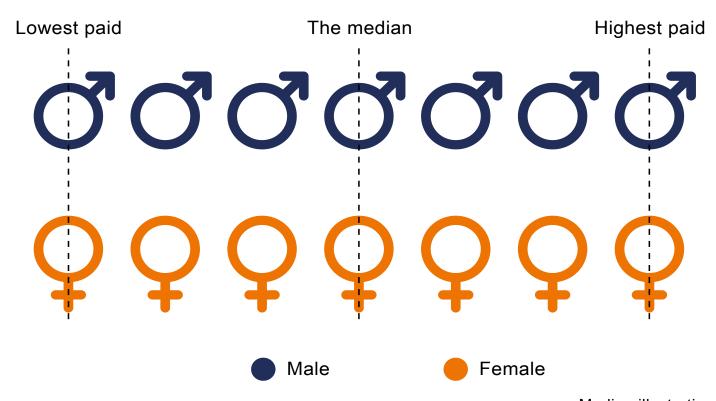
The median is the middle value and is calculated by organising all of the hourly rates of pay in the reporting period in order, from lowest to highest, and selecting the middle number. The median hourly pay gap is therefore the difference in pay between the median women's hourly pay, and the median men's hourly pay.

Pay quartlies

All colleagues are ranked in order from the colleague with the lowest hourly rate of pay to the highest hourly rate. This list is then divided into four equal groups (or quartiles) that rank from the lowest hourly rate (Quartile 1) to the highest hourly rate (Quartile 4).



Mean illustration



Median illustration

OUR GENDER PAY GAP

HOURLY PAY

The information below shows the overall mean and median gender pay gap between male and female colleagues based on hourly rates of pay and colleagues within the business' pay quartiles as at the snapshot date of 5 April 2024.

The following figures show the difference in hourly pay between men and women.

	2023	2024
Mean hourly pay gap	18.3%	17.8%
Median hourly pay gap	10.0%	9.5%

BONUS PAY

The information below captures the mean and median difference between bonuses paid to men and women, and the proportion of men and women receiving a bonus, at N Brown in the 12 months ending 5 April 2024.

The following figures show the difference in bonus pay between men and women.

	2023	2024
Mean bonus pay gap	38.4%	62.6%
Median bonus pay gap	13.5%	-3.0%

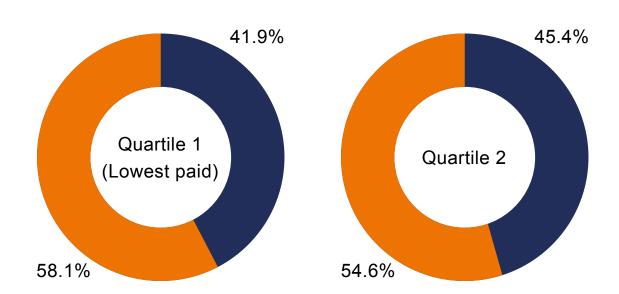
The following figures show the % of men and women who received bonus pay.

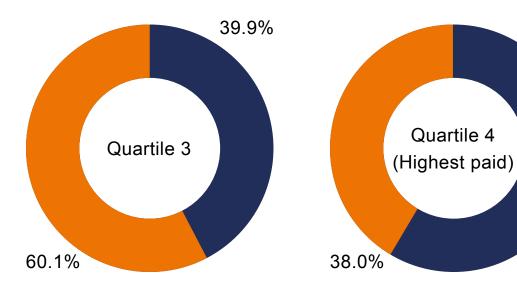
	2023	2024
Male bonus	69.9%	2.9%
Female bonus	76.5%	1.4%

62.0%

PAY QUARTILES

The gender split of each pay quartile is shown below.





KEY POINTS

- At N Brown, 54% of colleagues are women and although there has a been a very slight improvement in the pay gap, it remains high due to two main contributing drivers:
- 1. Gender split in senior roles: There is a higher proportion of men in senior leadership roles, and therefore higher paid roles, within the business (57% vs 43% of leadership roles held by women). Whilst we have taken a step in the right direction, increasing the proportion of women in leadership roles by 6ppts vs 2023, we know this is an area where we need to continue to focus our efforts through recruitment and progression initiatives.
- 2. The gender make-up of some of our teams, predominantly in our Digital Technology (DT) and Retail domains: In DT we have more men than women in highly technical (and higher paid) roles. Retail roles across the industry as a whole are typically female dominated. This is consistent with our Retail domain which is home to 19% of the Group's junior to mid-level roles, of which 82% are held by women.
- No annual bonus was paid within this reporting period, influencing the bonus data which is primarily based on the vesting of Restricted Stock Awards for a small group of senior leadership colleagues.

OUR ETHNICITY PAY GAP

HOURLY PAY

The information below shows the overall mean and median ethnicity pay gap between white and ethnically diverse colleagues based on hourly rates of pay and colleagues within the business' pay quartiles as at the snapshot date of 5 April 2024.

The following figures show the difference in hourly pay between white and ethnically diverse colleagues.

	2024
Mean hourly pay gap	26.6%
Median hourly pay gap	18.3%

BONUS PAY

The information below captures the mean and median difference between bonuses paid to white colleagues and ethnically diverse colleagues, and the proportion of white and ethnically diverse colleagues receiving a bonus, at N Brown in the 12 months ending 5 April 2024.

The following figures show the difference in bonus pay between white and ethnically diverse colleagues.

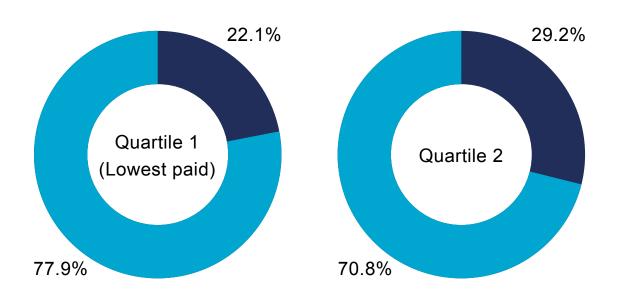
	2024
Mean bonus pay gap	84.0%
Median bonus pay gap	20.2%

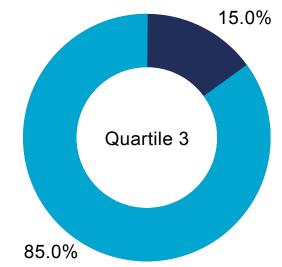
The following figures show the % of white and ethnically diverse colleagues who received bonus pay.

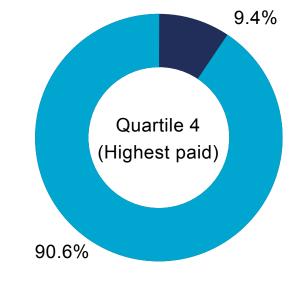
	2024
White	2.9%
Ethnically diverse	1.4%

PAY QUARTILES

The ethnicity split of each pay quartile is shown below.







White Ethnically diverse

KEY POINTS

- Our disclosure rate for ethnicity is 85%. We're therefore continuing to encourage colleagues to disclose their ethnicity to allow us to accurately measure our ethnicity pay gap.
- 68% of ethnically diverse colleagues across the Group work in the lowest paying roles, which has a significant impact on the average pay. This also means that ethnically diverse colleagues are underrepresented at mid-level roles and above, particularly within senior and leadership positions.
- No annual bonus was paid within this reporting period, influencing the bonus data which is primarily based on the vesting of Restricted Stock Awards for a small group of senior leadership colleagues where we know that ethnically diverse colleagues are underrepresented.

Gender & Ethnicity Pay Gap Report 2024

"A diverse team with different voices, perspectives, and day-to-day life experiences broadens each colleague's personal and professional growth, improves our ability to understand and respond to our customers' requirements, and strengthens our decision-making. We therefore remain committed to ensuring equity, diversity, inclusion, and belonging is embedded throughout every aspect of our business.

I'm looking forward to the next phase of our EMBRACE strategy as we continue to ensure it delivers strategic action. This evolution of the strategy is being led by our EDI&B Partner – a newly introduced role which affirms our commitment to EDI&B at N Brown and was created specifically to help us drive progress in this area.

Key actions for the upcoming year include roll out of our new EDI&B training programme for leaders, continuing to encourage colleagues to disclose their ethnicity to allow us to accurately measure our ethnicity pay gap, building on our communications and delivering our community goals to really bring about meaningful change. These include working with GM4Women2028, a Manchester based charity aiming towards gender equality, to create gender positive representation across N Brown, creating resources, such as guides and policies, to enhance faith based inclusion, and becoming a level one disability confident employer. As part of our goal to create an environment that supports social mobility, we will also be continuing to support colleague skill development through our apprenticeship programme."



OUR PROGRESS & ACTIONS

We know that there is always more work to do in this area and that we have further progress to make in order to address the gender and ethnicity pay gaps here at N Brown. We're focused on the following key areas:

1. Colleague communities

- We have established five colleague communities at N Brown which represent key strands of diversity, including Women and Allies and Multicultural and Allies. Our communities represent the voice of our colleagues and provide guidance on actions we can take to improve the colleague experience, which has included championing free access to period care products for colleagues across all N Brown sites, launching a Parent Playbook a handbook for managers to support anyone in their team taking family leave, and creating a guide to help support colleagues observing Ramadan. Communities also continue to help us mark awareness days and cultural moments throughout the year, including Diwali, Lunar New Year, and International Women's Day.
- Our communities have grown to become spaces of collaboration, with community leaders now meeting monthly to collectively bring diverse inputs together and to support one another with upcoming events.
 'Threads of Responsibility' have also been shared with communities from sponsorship level to member to align what it takes to be part of a community and how they work towards delivering our goals. We will also ask for representation in community leaders from all areas of the business to ensure representation across all domains.

 Alongside actively supporting broader culture initiatives and our EDI&B calendar, each community has a set of key objectives for the upcoming year. These include working with GM4Women2028, a Manchester based charity aiming towards gender equality, to create gender positive representation across N Brown, creating resources, such as guides and policies, to enhance faith based inclusion, and becoming a level one disability confident employer.

2. Recruitment, retention and progression

- We continue to focus on creating development opportunities across the business and upskilling existing colleagues. In the past 12 months, over 60 colleagues received a promotion with a change in band, with women accounting for 57% of these colleagues. We'll continue to ensure that these opportunities exist in all areas of the business, at all levels.
- We've entered the second year of our partnership with SheCanCode, a collaborative community which helps women enter, remain, and excel in the tech industry. Our ambition remains to attract, engage, and hire more females into DT and engineering roles at N Brown. Our partnership with SheCanCode is helping us to do just that, with women making up 35% of hires within the past 12 months vs 33% the prior year. Over the next 12 months, we'll continue to engage with SheCanCode's 130,000-strong global community through podcasts and webinars, as well as our profile featuring on their site, advertising our DT roles on their job boards, and featuring within job alert mailers to broaden our ability to attract female talent.
- Launching in March 2025, all leaders will be guided through a six-week EDI&B training programme, which has been designed to go beyond unconscious bias to equip leaders with the foundational knowledge and skills to be able to lead inclusively. The aim is to help leaders become more aware of their role in fostering an inclusive environment, provide increased confidence in addressing EDI&B issues, and to enhance capabilities to lead diverse teams effectively. This training is being deployed to all sites across N Brown, as well as delivered to future leaders who join the business.

• Our recruitment charter, which also covers the internal recruitment and promotion process, highlights the importance of a diverse interview panel and shortlist. All hiring managers are requested to adhere to this charter and understand its importance as part of an inclusive hiring process. In September 2023 we started using Gender Decoder, a tool that reviews job adverts for gender biased language, to ensure that the messaging in all of our job adverts appeals to women as well as men to attract more female applicants within areas where women are currently under-represented.

3. Our people policies

- We offer hybrid and flexible working opportunities to empower our colleagues to choose where they work and when, and support them in achieving a positive work-life balance. In 2024, 75% of flexible working requests were approved, which is an increase of 7ppts of the 68% approved in 2023.
- Our family-friendly policies also help our colleagues better balance their family and work life, giving them greater flexibility and allowing them to fulfil their potential. The policies include enhanced maternity leave, shared parental leave and adoption leave to enable us to attract and retain the best talent at all levels across the business.



