



BELONGING
FOR ALL

SEASALT LIMITED - GENDER PAY GAP 2023

At Seasalt, we are committed to fair and equitable pay for all. This gender pay gap report sits alongside other tools we use to measure inclusion and our employee experience, including engagement and inclusion surveys, employee forums, feedback networks, and one-to-one conversations.

Seasalt is a Cornish brand which specialises in womenswear, and sells menswear, accessories, and footwear. As with our customer base, we have a predominantly female* workforce with 79.8% female employees (as of 5th April 2023).

** The Gender Pay Gap is based on a binary approach to gender as per government requirements.*

At Seasalt, we respect that people may choose to identify outside of the binary, but for the purposes of the report we refer only to "women" and "men" in this document.

In 2022 we launched our Inclusion Strategy, Belonging for All. Created using external best practice and employee feedback, the strategy demonstrates our commitment to fostering a culture where everyone is given fair and equal opportunity.

The strategy encompasses three pillars, with gender equality forming a key focus under our **Empowering Women** objectives. A culture of support and allyship underpins gender equality and we continue to take positive action to weave this through our culture and identity.





Statutory Gender Pay Gap Report

Organisations with over 250 employees are required by the UK government to report on the earnings gap between female and male employees every year. Pay data is taken from the month of April and results must be published by the following April.

This report is based on the snapshot date of 5 April 2023. This year, we can better compare our findings to our 2022 results, after the pandemic and furlough affected outcomes in previous years.

The gender pay gap report covers three key areas: **Hourly Pay** (mean and median), **Bonus Pay** (mean and median) and **Pay Quarters by Gender**.

SUMMARY OF OUR RESULTS

- **Hourly Pay Gap:** Both our median and mean Hourly Pay Gap have improved over the past year, with our median gap now standing below the UK average of 7.7% (ONS, 2023). The median hourly pay gap is 5.6% and our mean pay gap is 25.6%.
- **Bonus Pay Gap:** The distribution of bonus payments showed a more balanced representation between genders compared to last year. There was a reduction in our mean Bonus Gap (89.1%), however the median gap (42.9%) has increased.
- **Pay Quarters:** In our split of pay quarters by gender, females make up 79.8% of our workforce and are proportionately represented in all the



pay quarters other than the upper quarter, continuing the pattern from last year.

We are pleased our gender pay gap has continued to improve since last year and will continue to work towards further progress through our inclusion journey.

HOURLY PAY GAP

The hourly pay gap is calculated to show the difference between earnings of men and women:

- **Mean hourly pay** – simply the total of all hourly rates of pay added together by gender, then divided by the number of people.
- **Median hourly pay** – we sort everyone's hourly pay from lowest to highest, then take the middle value in that list as the median.

Hourly Pay Gap - Mean

25.6%

2023 ▼

27.5%

2022

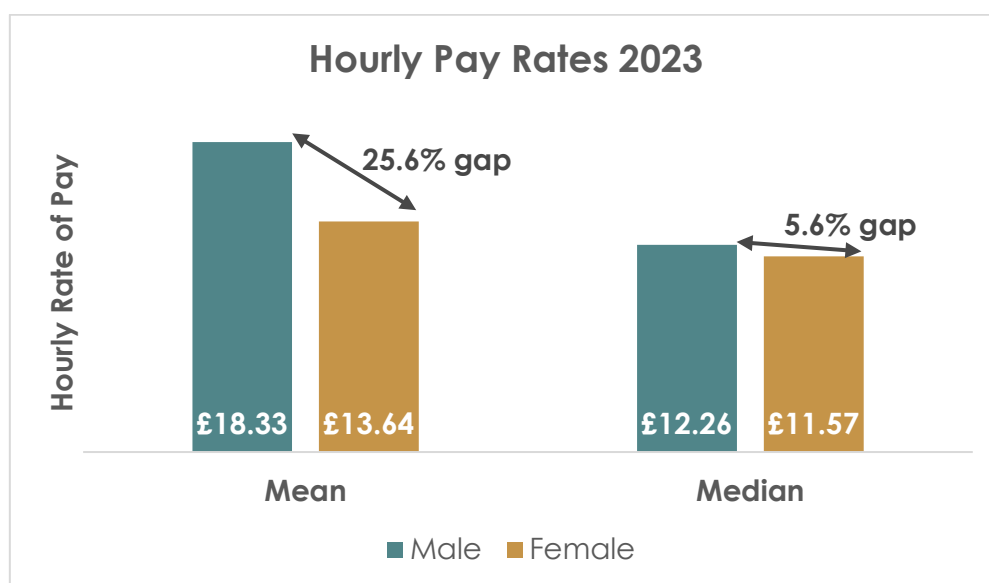
Hourly Pay Gap - Median

5.6%

2023 ▼

17.3%

2022



In April 2023, our mean hourly pay for males was 25.6% higher than for females. The median hourly pay was 5.6% higher for males than for females.

Median pay is typically viewed as more representative than mean pay, as the mean can be influenced by one or two very high salaries and distort the reality of pay for the majority of employees. Our results show that the mean hourly rate for males is much higher than the median, likely due to the higher proportion of men in our upper quarter (see pay quarters below), and in our highest Seasalt internal pay band.

Our median hourly pay gap has reduced significantly in the past year, by 11.7 percentage points relative to April 2022.

BONUS PAY GAP

The number of employees receiving a bonus has increased substantially this year due to the introduction of recognition vouchers sent between employees. The typical bonuses also included in our calculations each year relate mostly to employee recruitment referral incentives and long service vouchers.

Gender Bonus Gap - Mean		Gender Bonus Gap - Median	
89.1%	94.4%	42.9%	0%
2023 ▼	2022	2023 ▲	2022

Men and women who received a bonus



▲ vs 11.3% Males and 3.4% Females in 2022

Bonuses were paid to 367 employees out of our population of 1,201 who were employed between May 2022 and April 2023. There was an even split between males and females in receipt of a bonus, whereby 30.8% of males



received a bonus compared to 30.5% of females. This is a significant improvement from last year where men were over three times more likely to receive a bonus than women.

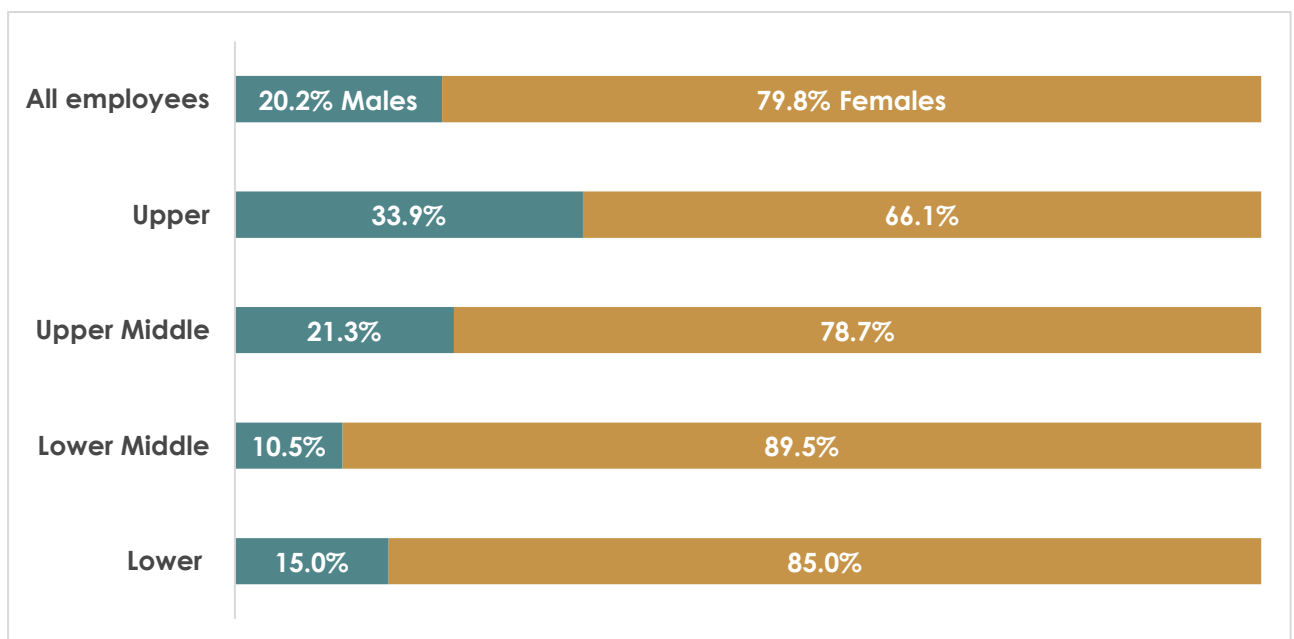
Our mean gender bonus gap was 89.1% higher for males than for females. As with our last Gender Pay Gap report, this is attributed to a small number of extreme outliers. When excluding these outliers (one off transitional bonuses) from our calculations, our mean bonus gap reduces by over 10% to 79.7%.

Our median bonus gap presents a more representative figure of 42.9%, which is a steep increase on last year's figure of 0%. However, the monetary value of the median shows only a £15 difference in bonus paid between genders.

PAY QUARTERS BY GENDER

Pay quarters help to explain the overall pay gaps, as they show us where our employees sit based on their salary, and the gender split across each quarter.

To do this, we record employees' hourly rate of pay and sort this list from lowest to highest before splitting the population into four even groups. We included 1,145 people in our analysis for April 2023, so our workforce was split into three groups of 286 and one group of 287.



Our results found that females make up 85% of our lowest paid group compared to 66.1% of our highest paid group. More than half our employees work in our shops which are predominantly staffed by females. This contributes to the higher proportion of women found in the lowest paid quarter. We know that men make up the majority of our Board, meaning these higher salaries have an influence on the gender pay gap.

This year women are well represented in our upper middle pay quartile, with the proportion of women in that quartile closely aligned with the overall proportion of women we employ. We continue to see women over-represented in our lower pay quartiles and under-represented in the upper pay quartile.



Next Steps and Recommendations

Seasalt is committed to addressing our gender pay gap and will continue to address the underlying causes. Unfortunately, we are not alone within the retail industry in having a gender pay gap and intend to continue to play our part in levelling the playing field so that everyone is paid and treated equitably, and work and life is balanced. Our 2023 Inclusion Survey results showed a year-on-year uplift in all inclusion scores, including those related to Equity within the workplace, and we hope to see further progress in 2024.

We are proud to be a Real Living Wage employer, and in areas of equal work, we pay the same hourly rate (for example, our Warehouse Operatives and Sales Advisors).



One of the most impactful ways of tackling inclusion and equity, beyond company culture, is recruitment. We are committed to transparency and in order to remove barriers, we have overhauled our recruitment processes. We now provide:

Clarity and Transparency

- Operate pay banding across Seasalt
- Share salary range on job adverts
- More explicitly communicate our dedication to offering adjustments

Flexibility

- Offer alternatives to formal interview processes
- Offer the option of an online OR face-to-face interview, offering flexibility
- Offer tours of our locations ahead of interview
- Have an amended Inclusion statement on our website, to better reflect our values and inclusive environment

Our inclusion strategy also builds on our initiatives to provide inclusive pathways to leadership and support the representation of women in the higher pay quarters. We are continuing to develop the 'My Career Community' on our internal platform *The Anchor* which is designed to build understanding of all the roles which make Seasalt a brilliant place to work. One of the aims of the Community is to encourage and support women to consider internal career paths in traditionally male-dominated sectors, such as technology or logistics, as well as into leadership roles, driving more female representation in the highest paid quarter of our business. We share all our available vacancies internally as well as externally and offer apprenticeships and secondments as alternative routes to progression internally. We will continue to run development programmes and create progression



opportunities for our people, such as our new Internal Work Experience Programme which we will launch in early 2024.

We are also working to develop our existing Managers. Two thirds of this population are female – suggesting that Seasalt fosters an environment where women can thrive. We've also seen an uplift in female population in our Senior Managers, with now a 50/50 even split between males and females. To continue encouraging growth into our most senior roles, we will nourish this talent through tools, resources and training at all levels of the business. In the period from April 2022 to April 2023, of the 128 employees who were promoted, 91% were female - an improvement on last year's 87%.

Since 2020 we have been embedding a more flexible style of working supported by our Blended Working Policy. Flexible working has become the norm across many departments, and in doing so has allowed flexibility for those in caregiving positions, while also aiming to improve the life balance of our employees. We continue to promote an inclusive culture which aligns with a flexible way of working, encouraging 121s with managers, introducing [Inclusion Passports](#) and providing training on Inclusion topics. Another advantage of this way of working is that we can now consider offering roles remotely from those that were previously Cornwall based due to our head office locations. This has meant employees throughout the business, including stores, can consider Head Office progression opportunities that can be carried out remotely without having to relocate.

Another recognised barrier for many female employees is balancing work with caring responsibilities and family life. As well as our flexible working approaches, we have started to address this by reviewing family and carer leave policies. We also continue to raise awareness of women's health and wellbeing issues – from the menopause to endometriosis, pregnancy and mental health challenges, which can affect women across all our workplace environments.



We know that empowering our women by raising awareness of health challenges, removing barriers to progression and improving engagement, we also create a fairer and more inclusive organisation for those of other genders.

We will continue to monitor, develop and embed our Inclusion Strategy as it adapts in line with societal progression. An improvement to employee data, survey results and gender pay gap scoring is encouraging, but a more inclusive approach to everyday working practises is what will drive authentic change.

We are committed to delivering the strategy and making sustainable change across the business, but building a culture of Belonging for All will take more than a central team rolling out the strategy. It is down to all our people to commit to inclusion for the long term, in big and small decisions, some easy and some brave, that will be the key to success and gender equality.



DECLARATION

I confirm that the information and data reported is accurate as of the snapshot date of 5 April 2023.

Signed by:

A handwritten signature in black ink, appearing to read 'John Govier', with a small dot at the end.

John Govier

Chief People Officer

