

Diesel (London) Ltd

2017 Gender Pay Gap Report

Diesel (London) Ltd is a subsidiary of Diesel S.p.A. and operates within the Apparel Retail and Wholesale Sector.

The Gender Pay Gap reporting is a legal requirement under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to show the difference between the average earnings of men and women in our organisation. This is not to be confused with the Equal Pay Act which is unlawfully paying women differently to men for the same work.

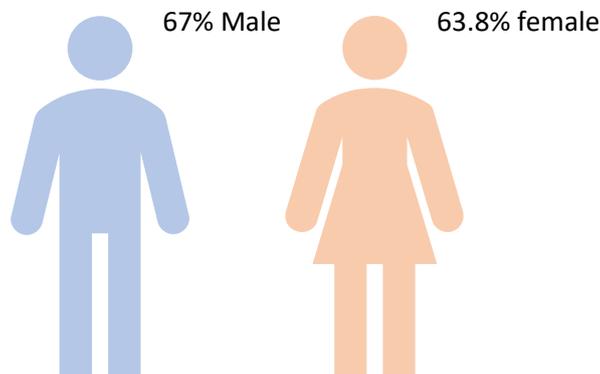
Our Gender Pay Gap report is based on employee data as of 5th April 2017. For the purposes of this report on this date Diesel (London) Ltd employed 433 workers. 396 employees were classed as Full time relevant employees and were used in the reporting of our hourly pay statistics.

Our Pay and Bonus Gender Gap is as Follows:

	Mean	Median
Pay	6.2% (£0.68)	-2.0% (-£0.17)
Bonus	10.4% (£95.30)	32.1% (£137.00)

Monetary amounts in brackets throughout this report is the amount being paid more to Males than Females based on data provided.

Proportion of Male & Female employees receiving a bonus:



Pay Quartiles

	Men	Women
Band A (Lowest Paid)	49% (48)	51% (50)
Band B	55.6% (55)	44.4% (44)
Band C	47.5% (47)	52.5% (52)
Band D (Highest Paid)	51% (51)	49% (49)

Amounts shown in brackets are the number of employees for each banding and highlights that Diesel (London) Ltd has an almost equal distribution of Male and Female employees within the business.

What do the results mean?

Diesel (London) Ltd results are significantly lower than the UK average of 18.1%, which is the lowest it has been since records began in 1997. We are also lower than organisations in the same industry with a similar financial turnover and headcount which we are incredibly proud of. This is a great achievement and we pride ourselves on being a fair employer.

National Statistics (ASHE 2016) benchmark figures within the Wholesale and Retail Sector are as follows:

	Mean	Median
Pay	19.9% (£2.76)	18.7% (£1.91)
Bonus	71.4% (£1,919.00)	70.2% (£852.00)

Pay

Our workforce is mainly made up of Retail Employees (84%). Sales Advisors and Retail Sales Executives are paid on an hourly rate scale depending on position and location, which is broken down into 3 regions within the UK. We aim to keep Store Management salaries as level as possible within the 3 regions to ensure fairness for the seniority of the roles, factors we do take into consideration are the size of the retail space and the number of employees being managed. However, as with all organisations, there can be some fluctuations due to experience and length of service. Our retention levels amongst Store Management and Head Office employees is very high so this can also play a factor in our results as some Store Managers and Head Office employees have 15 plus years of service.

Our hourly mean and median pay rate for Males and Females is relatively equal with the monetary gap shown below which is considerably lower than National Statistics benchmark figures shown above:

	Mean	Median
Pay	0.86p	-0.17p

The Mean amount shows on average how much more we pay males than females and our Median result shows that Females are paid more than Males.

Bonus

Bonus pay gap statistics are for the 12 months period ending with the snapshot date 5th April 2017 and is based on data provided for 431 relevant employees.

All employees have the potential to earn a Monthly, Seasonal or Annual Bonus. Diesel (London) Ltd currently operates 3 bonus schemes which are dependent on role and seniority within the business. Parameters are based on Sales targets and Business objectives as set by Senior Management for Head Office Wholesale Sales Executives, Head Office Management Teams and all Retail Staff. All other Head Office employees who are not part of a Sales/Objective bonus scheme are part of a discretionary Company Bonus scheme.

The Head Office bonus scheme is split into 2 monetary banding so that all Wholesale Sales Executives and Management Teams have the same bonus earning potential. All Wholesale Sales

Executives are on band 1 and Management teams are on band 2. However, the maximum pay-out is dependent on employees achieving their set targets and objectives.

The Retail Management bonus scheme also have the same earning potential based on targets being achieved and we are proud to acknowledge that we have a 50/50 split of Male and Females within retail management.

Out of the 431 relevant employees, 255 Retail employees were paid bonus with an equal distribution of 128 males and 127 females.

29 Head Office employees received bonus, 20 males and 9 Females. This has resulted in our larger Median gender bonus gap and although the 9 females bonus earners hold Senior positions within the Business the male population in Head Office hold more Sales positions and therefore have greater opportunity to earn bonus.

The figures below represent the Monetary Value of the bonus gap (amount paid more to Males) which equates to:

	Mean	Median
Bonus	£95.30	£137.00

Although our Median Gender bonus gap is high, we have an exceptional workforce which is demonstrated by the impressive percentage of 67% of Male and 63.8% of Female within our business who earned bonus. This is in comparison to benchmark figures which shows that 45.3% of Males and 43.9% of Females within a similar sized organisation earned bonus.

What will Diesel do next?

Overall our gender pay gap of 6.2% (which equates to 68p being paid more to Males than Females per hour) is significantly lower than the benchmark figures available. However, this does not mean we cannot improve on this gap in the years to follow regardless of our current good position.

It is a common problem within the UK that there are more women in lower paid occupations and fewer women in prestigious positions, however within Diesel (London) Ltd Head Office our Senior Management positions are held by 57% (4) Males and 43% (3) Females.

As a predominantly Retail focused business most of our work population hold junior retail positions who are paid the same hourly rate based on contracted hours and we will continue to do so, in addition offering them bonus rewards for achieving personal and store sales targets.

Within our Head Office we have an almost 50/50 split of Males and Females and we recognise that women are more likely to take time out for caring responsibilities or Maternity Leave. As is often the case, employees returning to work after maternity leave are more likely to request flexible working and we will do everything in our power to ensure that this is feasible and support where possible as we believe that every employee offers value to this business and we encourage their return.

We will continue to recognise star talent who show skill, passion and dedication regardless of gender, which is evident in our split of Male and Female employees, we will nurture and develop employees to fulfil their potential and allow them to grow with many opportunities for promotion within the business which will be rewarded in line with similar or equal positions within the business.

All benchmark data provided by XpertHR - 24 August 2017

Glossary

Mean - is the average of a set of data

Median - is the middle value of a set of data