

GENDER PAY REPORT 2021

Intimate Apparel Retail UK Limited was incorporated on 28th August 2020 and operates the Victoria's Secret retail stores in the UK. Its employees all transferred from Victoria's Secret UK Limited on 18 October 2020 following a 'TUPE transfer' as part of a joint venture arrangement. This Report details the gender pay gap information for Intimate Apparel Retail UK Limited for the snapshot date of 5th April 2021.

OUR COMMITMENT

Our associates are integral to achieving our business objectives and we aim to attract, retain and develop the best talent at every level throughout Intimate Apparel Retail UK Limited. We are committed to creating an environment where all individuals feel welcomed, respected and supported. This commitment is demonstrated in a number of ways, including:

· Open and transparent pay and reward structures

We endeavour to ensure salary differentials between individuals in the business are fair and justifiable. Most roles within the business have an associated salary grid, with differentials within the same role being determined by competency. Differences in salary between individuals in the same role must be justified by levels of performance in that role.

· Support for working parents and carers

We have provided guidance and support for those associates who plan to take maternity, paternity or adoption leave and enhanced the entitlements beyond statutory minimum. One to one individual support prior to taking leave and after returning to work, together with line manager coaching are being rolled out as part of this initiative.

· Training and development opportunities

The majority of our managerial appointments are internal promotions and we aim to invest in our associates to help them achieve their full potential. We have developed specific departmental training programmes, which provide our associates with the core skills to fulfil their roles. Examples include AIM (Associate In Management), customer experience training, product certification programmes and a learning portal for store associates. Several business areas also operate mentoring schemes.

· People, policies and practices

We continually review and update our policies and practices in order to achieve our aim of attracting, retaining and developing the best talent.

GENDER PAY REPORT 2021 (CONTINUED)

UNDERSTANDING THE GENDER PAY GAP

WHAT DOES THE GENDER PAY GAP MEASURE?

The gender pay gap is a measure of the difference in average pay of men and women, regardless of the nature of their work.

This is expressed as a percentage of men's earnings, e.g. women earn x% less than men. A negative percentage indicates that women earn more than men.

The gender pay gap does not measure equal pay, which relates to the amount that men and women are paid for the same or similar jobs.

HOW ARE THE MEDIAN AND MEAN PAY AND BONUS GAPS CALCULATED?

The mean pay gap is a comparison of the average pay for a woman and the average pay for a man.

The median pay gap is a comparison of the hourly rate of pay for the woman in the middle of the line if all our female associates stood next to each other in order of lowest hourly rate of pay to highest, and the hourly rate of pay for the man in the middle of the line if all our male associates did the same.

Mean and median calculations are also carried out when comparing bonus pay over a twelve month period. The proportion of men and women awarded any bonus pay over that period is reported.

HOW ARE THE PAY QUANTILES CALCULATED?

We also report the percentage of men and women in each pay quartile. Quartiles are calculated by listing the rates of pay for each associate across the business from lowest to highest, before allocating that list into four equal sized groups of men and women and calculating the percentage of men and women in each of these groups.

The median and mean pay gap and quartile pay bandings are based on data from April 2021 only.

The bonus gap calculations required by the UK regulations are based on the bonus payments made in the 12 months to 5 April 2021 and are not full time equivalent adjusted.

GENDER PAY REPORT 2021 (CONTINUED)

PAY GAP & PAY QUANTILES

DETAILS BEHIND THE GENDER PAY NUMBERS

As a result of the COVID pandemic and the Government's mandated closure of non-essential retail stores, over 90% of our workforce was on furlough at the 5 April 2021 snapshot reporting date. However, we are required to exclude these associates from our statutory gender pay gap calculations and when calculating the percentage of men and women in each hourly pay quartile. The statutory gender pay gap for 2021 is therefore not representative of the normal position for Intimate Apparel Retail UK Ltd.

The commentary and numbers that are provided on this page include furloughed associates to provide more meaningful information. If we look across our entire workforce, including those who were furloughed, the details behind our gender pay numbers are:

- A significant majority of our organisation's population is female, 96%; of our associates are women. As a lingerie business for women, requiring in-store support for our customers to be given by women, 94% of our female associates work in store roles.
- Although our overall mean gender pay gap is 30.4%, the mean hourly pay gap within each quartile (detailed in the table below and closer to a like for like comparison of roles), shows a much narrower pay gap than the overall pay gap.
- The median pay gap for the lower quartile shows that women earn the same as men, and women earn more than men in the upper middle quartile.

PAY	Lower Quartile **	Lower Middle Quartile **	Upper Middle Quartile **	Upper Quartile **	Total Intimate Apparel Retail UK Ltd	UK National ♦
Men	1%	5%	5%	7%	4%	-
Women	99%	95%	95%	93%	96%	-
Median Gender Pay Gap *	0.0%	1.4%	-7.2%	32.2%	10.3%	15.4%
Mean Gender Pay Gap *	0.1%	0.6%	-6.6%	29.0%	30.4%	14.9%

** Quartiles are calculated by listing the rates of pay for each associate across the business from lowest to highest, before allocating that list into four equal sized groups of men and women and calculating the percentage of men and women in each of these groups.

• The figures are expressed as a percentage of men's earnings, e.g. women earn x% less than men. A negative percentage indicates that women earn more than men.

♦ Source: Office of National Statistics October 2021.

GENDER PAY REPORT 2021 (CONTINUED)

STATUTORY DISCLOSURES

As a result of the COVID pandemic and the Government's mandated closure of non-essential retail stores, over 90% of our workforce was on furlough at the 5 April 2021 snapshot reporting date. However, we are required to exclude these employees from our statutory gender pay gap calculations and when calculating the percentage of men and women in each hourly pay quartile.

The statutory gender pay gap for 2021 is therefore not representative of the normal position for Intimate Apparel Retail UK Limited. Please see page 3 for commentary and numbers which include furloughed associates and are therefore more meaningful.

Intimate Apparel Retail UK Limited

	Mean	Median	
	2021	2021	
Gender Pay Gap	34.1%	63.8%	Men account for 11% of our non-furloughed workforce, all of whom were employed within our Head Office. Head Office pay rates are typically higher than our stores due to the more technical nature of the roles.
Gender Bonus Gap	-277.0%	-44.1%	Management bonus payments were made to a number of Head Office employees in the period. These related to schemes operated prior to the TUPE transfer of the workforce into this company, of which a high proportion of recipients were women.

Pay Quartiles

	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
Men	0%	11%	0%	33%
Women	100%	89%	100%	67%

Proportion of Employees Receiving a Bonus

MEN	11%	WOMEN	2%
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I confirm this information is accurate.



Nick Murty
Finance Director, Intimate Apparel Retail UK Limited
30 March 2022