



GENDER PAY GAP

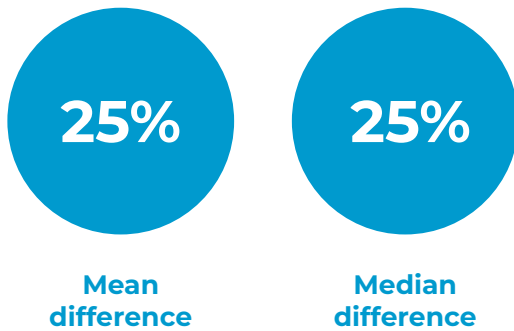
APRIL 2021

GENDER PAY GAP (APRIL 2021)

Five years ago, the UK Government made it mandatory for all organisations with more than 250 employees to report their gender pay gap. This was a step we fully supported, although we weren't big enough to do our own report until 2019.

The report calculates the difference in average pay between our male and female employees within the UK.

Our most recent report in April 2021 shows that a gender pay gap exists at Gymshark.



THE DIFFERENCE BETWEEN MEAN AND MEDIAN

Mean is when we find the overall average of male and female pay, and then find the % that male pay is greater by.

Median is when we line up all male salaries and all female salaries, look at the middle salary for both and calculate the % of how much the middle male is paid compared to the middle female.

WHY DO WE HAVE THIS PAY GAP?

Analysis shows we have three main reasons for our gender pay gap:

Our lower grades are female heavy

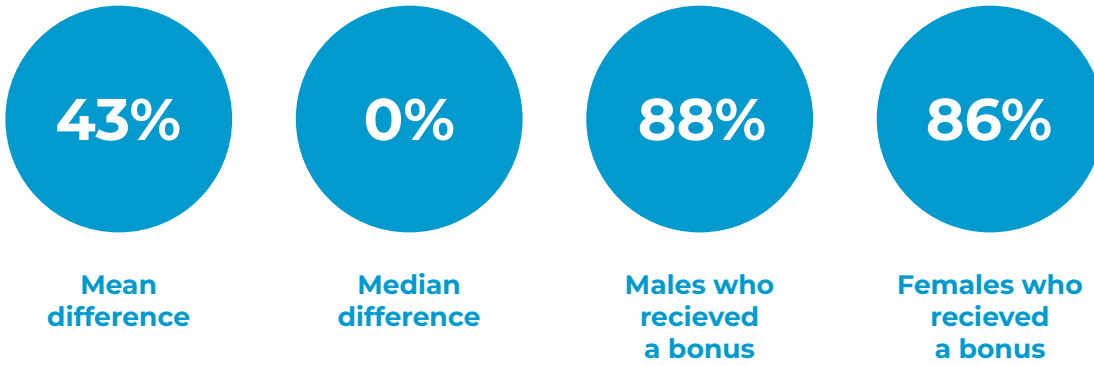
Our higher grades are male heavy

Our technology team is male dominated

BONUS PAY GAP

We're a team; we win together, and we lose together. And so, our bonus structure is based on the same principle. Either all eligible staff receive a bonus, or no one does, with the bonus amount being a set figure by pay grade. Everyone in Gymshark plays a role in the results we achieve and the progress we make.

The only condition to eligibility for our current bonus structure is start date, so any imbalance in the number of males and females who receive a bonus is simply down to when they joined us.



The reason our mean bonus pay gap is 43% is because we have more males in higher grade roles, and more females in lower grade roles. This doesn't just affect our overall pay gap, but our bonus pay gap, too.

PAY BY QUARTILES

To calculate our pay quartiles, we start by ranking all employees from highest to lowest paid. Then, we divide our entire payroll into four equal parts (upper, upper middle, lower middle, lower) before calculating the male and female split of each quarter.

To us, true equality is when each quartile is evenly split. We know that female heavy lower grades and male heavy higher grades are big contributors to our gender pay gap, which is why we'll focus on equalising gender splits in those areas first.

	Female	Male
Upper	38%	62%
Upper middle	46%	54%
Lower middle	62%	38%
Lower	64%	36%

FUTURE: A LEVEL PLAYING FIELD

Everyone has the potential to excel in anything they do. We don't believe that any group of people are more suitable to any specific role or career. And while we have long-term goals and must be realistic about the time it will take before we see a noticeable change, we are focusing on a number of changes this year. We are:

Analyse our recruitment funnel and set targets

Look at our pay banding and conduct a benchmarking review

End salary history on all applications

Publish salary data at advert stage

Launch a gender equity employee resource group

We know we have a lot more to do. That's why we're committed to taking further, longer strides to promote equality throughout Gymshark, through creating a more diverse team and through equipping more employees for career progression, either with Gymshark or elsewhere.



Dave Parry
Chief People Officer