



Gender pay gap report 2017

Specsavers Optical Superstores
Vision Labs



Foreword

Specsavers was founded on the value of 'treating people as we would like to be treated ourselves', so we have welcomed annual gender pay gap reporting.

Introduced to ensure that women have the same opportunities as men to fulfil their potential at work, the legislation brings a transparency that will help effect change for the better in companies everywhere.



How we do things at Specsavers, in terms of people recruitment, retention, leadership and development, is as important as *what* we do.

As a global organisation with an ambitious agenda, we see diversity and inclusivity as key enablers to meeting our business aspirations; helping us to broaden our skillset and drive innovation.

This report highlights that a gender pay gap exists for our teams in Specsavers Optical Superstores (our UK support office network) and Vision Labs (one of our manufacturing and distribution sites). These gaps are due to the fact that, for a variety of reasons, we have more men in senior roles than women, and more women in junior roles than men - they are not a result of us paying men and women differently for undertaking similar roles.

To help ensure we pay fairly, we split our support office teams into five broadband levels, and have a set of clearly defined pay and bonus ranges and levels of responsibility. We also conduct regular pay audits across these bands to ensure fairness.

These reviews have shown that, when we look at roles within each broadband, the differences between men's and women's salaries are much smaller than the figures for the overall populations - some are zero, some marginally in favour of men and some marginally in favour of women.

In addition, the figures we are required to report here are for a very small part of our organisation. If we look at the data for our overall UK, ROI and Channel Islands business (including all support offices, stores and manufacturing and distribution sites), the gap is smaller and we have a more balanced proportion of men and women across the different levels.

While the difference in the number of men and women in the highest and lowest seniority levels of each of these businesses has been influenced by a number of factors, we want Specsavers to benefit from the varied knowledge and skillsets that a demographically-diverse population brings.

We know it is not realistic to resolve the gaps overnight, but are committed to making significant strides towards ensuring a fully inclusive and diverse culture.

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Pauline Best

Global People and Organisation Director
Specsavers Optical Group

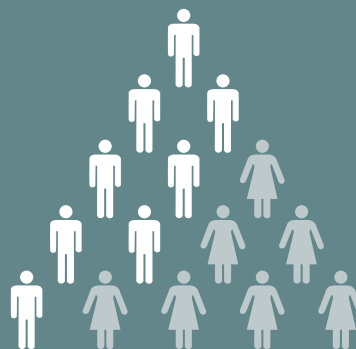
Gender pay gap explained

What is the gender pay gap?

The **gender pay gap** is a measure of the difference between men's and women's average hourly rates of pay across an organisation or the economy as a whole, expressed as a percentage.

If the measure is positive, for example a gap of 15.2%, it means the average of all women's salaries is less than the average of all men's salaries in a given population. A negative measure, for example a gap of -8.4%, means that the average of all women's salaries is greater than the average of all men's salaries.

It is often confused with the right to equal pay, but the two are very different. **Equal pay** means there should be no difference in pay or contractual terms for a man and a woman carrying out comparable work at the same level.



The gender pay gap

For many companies the primary cause of a gender pay gap is having a higher proportion of men than women in senior roles.



Equal pay

Equal pay is a legal obligation whereby men and women are paid the same for carrying out comparable work.

How is it measured?

- Legislation requires that all UK companies with 250 or more employees on 5 April 2017 publish the following key measures:

Mean gender pay gap

Median gender pay gap

Mean gender bonus gap

Median gender bonus gap

Bonus proportions

Pay quartiles

- Pay data is based on hourly rates of pay as at 5 April 2017
- Bonus data is based on bonuses paid between 6 April 2016 and 5 April 2017

What we are reporting on

By 4 April 2018, all UK employers with more than 250 employees are required to publish specific gender pay gap data as at the snapshot date of 5 April 2017.

Specsavers has two entities within this reporting threshold: Specsavers Optical Superstores, our UK support office network, and Vision Labs, one of our manufacturing and distribution sites.

This report contains gender pay gap information on these two entities only. It does not include data for our stores, which are individually owned and run businesses, Specsavers Optical Group (our Channel Islands support office) or our other UK manufacturing and distribution sites.

Our results 2017 – Specsavers Optical Superstores

Information below relates specifically to Specsavers Optical Superstores, our UK support office network.



Gender split of population

548
MEN

433
WOMEN

Pay quartiles

The proportion of men and women in the lower, lower middle, upper middle and upper quartile pay bands, if you divide the population into four equal parts.

Key ● =  ● = 

Gender pay gap

Difference between men and women.

35.2%
MEAN

41.9%
MEDIAN

The mean gender pay gap is the difference in the average hourly pay received by all men and women in the organisation at all levels. This includes, as applicable, overtime, premium payments, car allowance and bonuses.

The median gender pay gap is the difference in midpoints of the ranges of men's and women's hourly pay (if you line up all women from the highest hourly rate of pay to lowest, and the same with men).

Bonus pay

The percentage of men and women receiving a bonus.

87%
MEN

87%
WOMEN

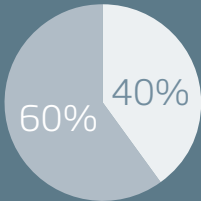
Bonus pay difference between men and women.

48.5%
MEAN

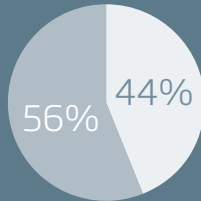
51.3%
MEDIAN

The mean gender bonus gap is the difference in the average bonus paid to men and women.

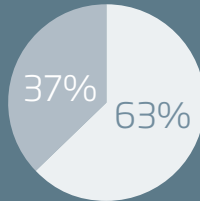
The median gender bonus gap is the difference in midpoints of the ranges in bonus paid to men and women.



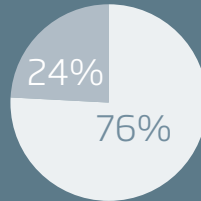
Lower quartile



Lower middle quartile



Upper middle quartile



Upper quartile

Our results 2017 - Vision Labs

Information below relates specifically to Vision Labs, one of Specsavers' manufacturing and distribution sites.



Gender split of population

148

MEN

121

WOMEN

Gender pay gap

Difference between men and women.

30.6%

MEAN

7.9%

MEDIAN

The mean gender pay gap is the difference in the average hourly pay received by all men and all women in the organisation at all levels. This includes, as applicable, overtime, premium payments, car allowance and bonuses.

The median gender pay gap is the difference in midpoints of the ranges of men's and women's hourly pay (if you line up all women from the highest hourly rate of pay to lowest, and the same with men).

Bonus pay

The percentage of men and women receiving a bonus.

98.7%

MEN

99.3%

WOMEN

Bonus pay difference between men and women.

35.9%

MEAN

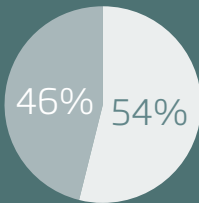
25.4%

MEDIAN

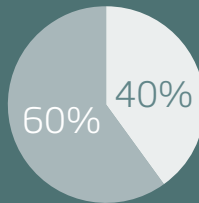
Pay quartiles

The proportion of men and women in the lower, lower middle, upper middle and upper quartile pay bands, if you divide the population into four equal parts.

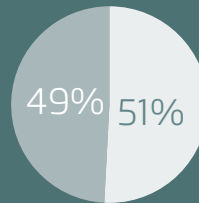
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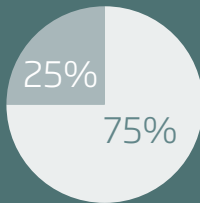
Lower quartile



Lower middle quartile



Upper middle quartile



Upper quartile

Our results

Our results explained

The root cause of the gender pay gaps for Specsavers Optical Superstores and Vision Labs is that we have more men than women at the highest levels of seniority of each business, and more women than men at the lowest levels.

As an example, at Specsavers Optical Superstores, our support office population is split into broadband levels from A to E – each with clearly defined pay and bonus ranges and levels of responsibility.

Looking at the gender split across these bands, it is clear that we have significantly more men than women in our leadership roles, and significantly more women than men in our administrative roles.

Broadband breakdown at Specsavers Optical Superstores



In Vision Labs we have a much lower median gender pay gap (7.9%) than mean (30.6%). One of the reasons behind this difference is that the figures include the total workforce from that business, so cover a much wider population and range of roles.

If we included stores in our Specsavers Optical Superstores population – effectively looking at the whole business – it would generate lower averages also.

When we take a wider view and look at our UK/ROI/Channel Islands business as a whole (which includes all support offices, stores and manufacturing and distribution sites), we see a more balanced picture, with 52% of women in the upper pay quartile and 48% men.

Addressing the uneven distribution of men and women is our primary focus, but in line with our value of treating everyone fairly and offering equal opportunities to all, we

won't stray from our approach of finding the best people based on merit for each role.

We are committed to making all of our roles more accessible to a wider spectrum of people – internally and externally – by introducing a more flexible and inclusive approach to recruitment, talent development, career progression and succession planning.

Our commitments

Ensuring we embed a more diverse and inclusive culture across the Specsavers Group is a key priority for us.

We understand the reasons behind the gender pay gaps we are seeing and are committed to addressing them through a coordinated strategy, which will be rolled out globally.

By reviewing the ways in which we attract, retain, engage and advance our people, we can, in line with our values, truly enable everyone to be the best they can be.



We have committed to:

Sharing global gender pay data annually

As well as reporting our UK gender pay gaps, we have committed to sharing gender pay data for all Group entities, in all of our business areas and in each of the countries where we operate, by August this year, and annually thereafter. By doing this, we can encourage open and honest conversations about diversity and keep challenging the way we do things.

Embedding a more inclusive culture

We have started an ongoing programme of activity to champion diversity and inclusion across Specsavers. This includes

1 Raising awareness of unconscious bias

Creating an inclusive environment where everyone can excel is our goal. This requires us all to challenge our decisions and behaviours day to day. To help embed this, we will deliver a programme of unconscious bias awareness support to all of our global support office colleagues.

2 Enhancing our approach to flexible working

We understand the challenges of juggling work and personal commitments and recognise that strengthening our flexible working offer is key to retaining existing talent and widening the pool of potential new talent. We will support and coach our managers in identifying more opportunities for flexibility, where viable, and continue to explore how we can maximise everyone's potential whatever their circumstances.

3 Reviewing our recruitment and other people processes

We will continue to strive for diverse candidate lists when recruiting for senior management roles and are taking concrete steps to ensure all decision-making processes are free from bias. As part of this, we will look to identify the key drivers and barriers to applying for roles at Specsavers, to ensure all positions are accessible to everyone.

4 Developing a balanced talent pipeline for the future

We remain passionate about developing our current and future leaders. We have a strong mix of men and women on our global talent initiative for high performers, **Grow Our Own**, and a similar mix on **Pathway**, our internal fast-track career development programme for aspiring joint venture store partners.

Closing summary

Our people are, and always will be, at the heart of Specsavers' success story. We are committed to supporting everyone in our business to be the best they can be, and treating people fairly.



To remain true to this, we must never stand still in our responsibilities as an employer.

While the gender pay gaps we have identified are not a result of paying men and women differently in like for like roles, this process has highlighted the difference in the number of men and women in the highest and lowest levels of seniority of two areas of our business.

The world in which we operate is constantly changing, as are the increasing demands on our teams, and if we are to achieve our ambitions we must continue to flex the way we attract, retain and advance people to open all our roles up to a bigger, and more diverse, talent pool.

Highlighting the gaps and understanding the root cause is only the beginning; but a good first step.

By continuing to challenge our current thinking around how we hire new talent, manage career progression and support work-life balance, we can create an even more inclusive environment for all.

As Joint Group CEO for Specsavers Optical Group, I can confirm that the gender pay gap data contained in this report is accurate.

A handwritten signature in black ink, appearing to read 'John Perkins'. The signature is stylized with a large, loopy initial 'J' and a long, sweeping horizontal line extending to the right.

John Perkins

Joint Group CEO
Specsavers Optical Group

