

# Waterstones

## Gender Pay Gap report 2022.

### Background

This is the sixth gender pay gap report issued by Waterstones Booksellers Limited (“Waterstones”) and relates to the “snapshot” date of 05 April 2022. Our calculations are based on pay data for approximately 2808 Waterstones employees in the UK.

This data relates to employees with different roles and at varying levels within the Waterstones business, whether employed to work in our UK bookshops and cafés, at our UK distribution centre or Head Offices and includes employees comprising Waterstones’ senior management team. A gender pay gap is normally a measure of the difference in the average pay of men and women across an entire business, regardless of the nature or level of their work.

A gender pay gap is expressed as both a “mean” and “median”. Mean is the average hourly rate of pay, calculated by adding the hourly pay rate for employees then dividing the total by the number of employees. Median is the middle hourly pay rate, when pay rates are ordered from lowest to highest. A gender pay gap calculation is different from an equal pay comparison, which involves a direct comparison of men and women carrying out the same work or work of equal value.

### Our results.

#### 1) Hourly fixed pay.

Last year, HMRC instructed companies to exclude hourly pay calculations for anyone whose pay was affected by furlough in the snapshot month (April 2021). As such, comparison for hourly rates have been made against our April 2020 values.

Mean	Median
14.3%	7%

The mean gender pay gap has widened slightly by 1% with the median marginally decreasing by 0.3% compared to 2020 data.

The gap is mainly due to recruitment into Head Office during the year to April 2022 and Café Manager roles during the same period.

The overall median gap has decreased a little, as 50% of our shop-based employees are employed at bookseller/barista entry level or Senior bookseller, and there is hardly any gender pay gap within those roles.

In our Head Office the average pay gap is 10.4% in favour of males compared to 6.2% in April 2020. Analysis by length of service shows that out of the 65 people with less than one year’s service at the April 2022 snapshot date (19% of all HO staff), the average hourly pay gap was high, at 18.6%. If we exclude this population the average pay gap in Head Office becomes 6.5%, which is much the same as two years earlier. The increase in the Head Office pay gap is almost entirely due to the new recruits during the year to 5<sup>th</sup> April 2022.

Within our shops the mean gap has marginally altered from 6.1% in April 2020 to 6.3%. When we look at Bookshop and Café Managers (15.5% of the shop-based employees), the mean pay gap is 7.61%. If we excluded this group from the shop analysis, the average pay gap in the shops drops to 3.89%.

## 2) Bonus pay

Mean	Median
14.2%	33.3%

Bonus pay includes any additional pay relating to profit sharing, productivity, or performance in the form of money, vouchers, securities, securities options, or interests in securities.

The mean gap of 14.2% has decreased significantly from 47.6% in 2021. The median gap has increased by 33.3% compared to no gap in 2021. At our Head Offices, the mean bonus pay gap is 21% in favour of women and the median gap is 9.4% in favour of men.

## 3) Employees receiving bonus pay.

Men	Women
13.3%	6.7%

The percentage of men who received a bonus has increased by 1.3% compared to 2021, the percentage of woman has reduced by 3.1% during the same period.

## 4) Pay quartiles.

Top quartile	
Men	Women
53.3%	46.7%

Upper middle quartile	
Men	Women
39.2%	60.8%

Lower middle quartile	
Men	Women
32.8%	67.2%

Lower quartile	
Men	Women
24.6%	75.4%

The above illustrates the gender distribution across Waterstones within four pay band quartiles.

As per HMRC instruction last year hourly pay calculations for anyone whose pay was affected by furlough in the snapshot month (April 2021) was excluded. The pay gap data and quartile metrics

were much affected by furlough, unlike Bonus data. Therefore, it is reasonable and more meaningful to compare pay quartile to 2020 values.

When compared to April 2020, there has been a 1.4% increase in the percentage of women in the Top quartile. During the same period, there has been an increase of 0.9% in the number of women in the Lower quartile.

**Conclusion.**

We continue to aim to offer and develop exciting career paths within our business which attract and promote the very best talent within an inclusive and rewarding framework.

I confirm that the data contained within this report is accurate.



James Daunt  
Managing Director