

# Boots Opticians Gender Pay Gap Report as at April 2021



# A message from James

At Boots Opticians, it is a priority for us to stand committed to our Diversity, Equity and Inclusion goals so that we are all at our best for our customers and team members. It has been a challenging but inspiring period, where we have seen the dedication of our teams have a positive impact on our communities. The pandemic has had a profound effect on multiple areas of our Opticians business, however we are pleased to say we have been able to maintain normal pay rates for team members who were furloughed during the various periods of national lockdown.

Opticians team members have gone above and beyond to support customers and each other, with a significant number volunteering to offer COVID-19 testing as part of Boots nationwide support at such a critical time for healthcare. I am proud to lead a team that has demonstrated such a willingness to lend a helping hand.

The past year's gender pay gap report shows that our mean pay gap has remained relatively consistent, with a small decrease year on year. The reshaping of our workforce to reflect changes in customer demand has affected our median pay gap this year but we continue to work hard to identify actions that we can take to further reduce these gaps.

We have already made good progress towards our goals, including partnering with DIAL Global to increase gender equity. Our Women of WBA Business Resource Group has championed gender equity with academic research into the effect of the COVID-19 pandemic on women and their careers and we have introduced mandatory diverse shortlists and interview panels for leadership roles. As we look to the future, we will carry out a company-wide survey on flexible working to understand how best to support all our team members' preferred ways of working as we continue to navigate the effects of the pandemic.

There is always work to be done and I am certain that maintaining focus on our DE&I ambitions will lead to an even more equitable and diverse workplace in which our team members can succeed.



A handwritten signature in black ink, appearing to read 'James Arrow', written over a horizontal line.

**James Arrow**  
Managing Director – Boots Opticians

# Understanding gender pay gap reporting

With 75% of our team members being female, gender equality is really important to us and the legislation continues to help us to look at things differently and identify ways we can work to further reduce our gender pay gap.

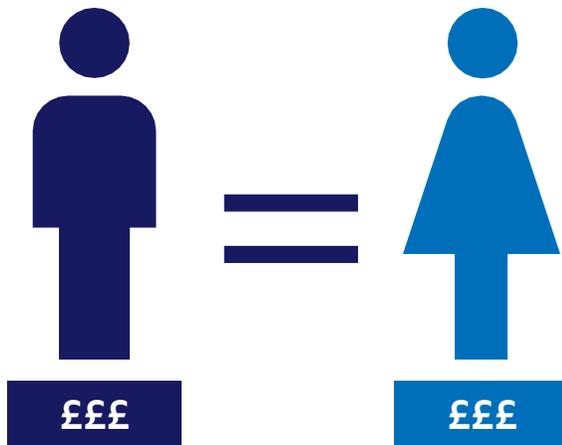
The legislation requires us to report our mean and median pay gap, bonus mean and median gap, the percentage of male and female team members who received a bonus payment and the percentage of males and females in each pay quarter.

## What is the difference between equal pay and a gender pay gap?

A gender pay gap is different from equal pay.

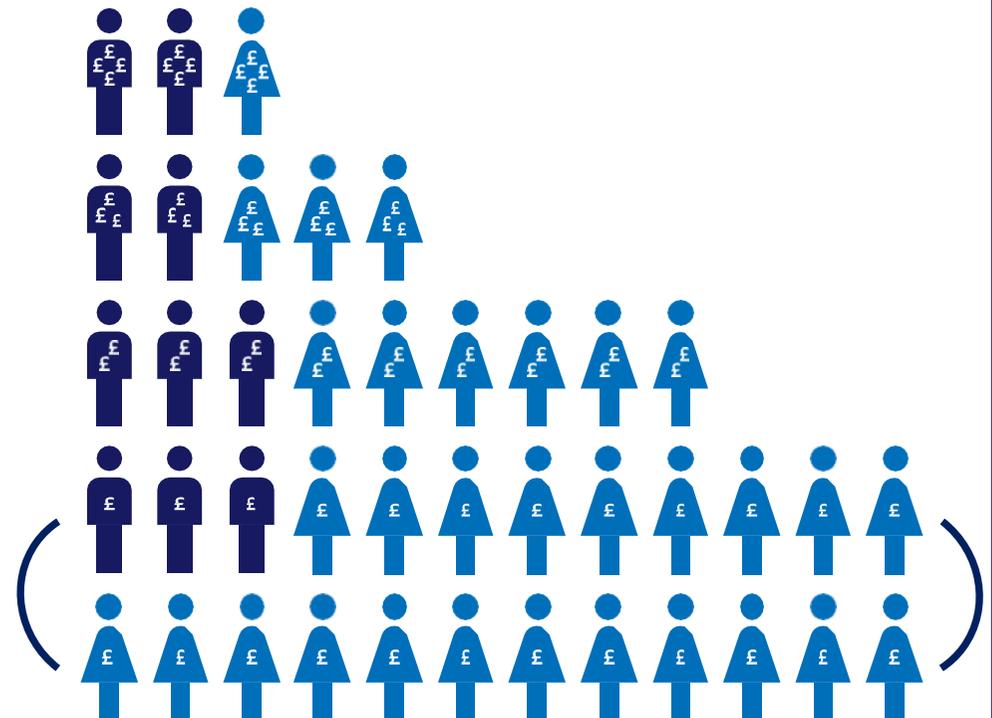
### Equal pay

Equal pay is paying males and females equally for like work, work of equal value and work rated as equivalent. There has been legislation outlining equal pay obligations in the UK for over 50 years.



### Gender pay gap

A gender pay gap looks at the differences in pay between genders across groups of team members irrespective of the work they perform.



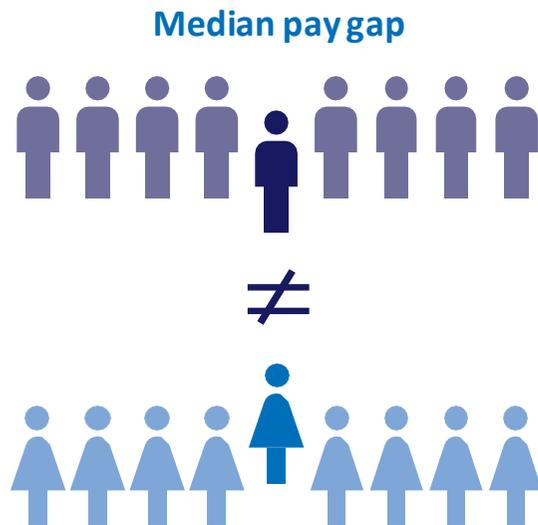
One of the main reasons for the gender pay gap in our society is that men are statistically more likely to be in senior roles.

# Understanding gender pay gap reporting

## How are the median and mean pay gaps calculated?

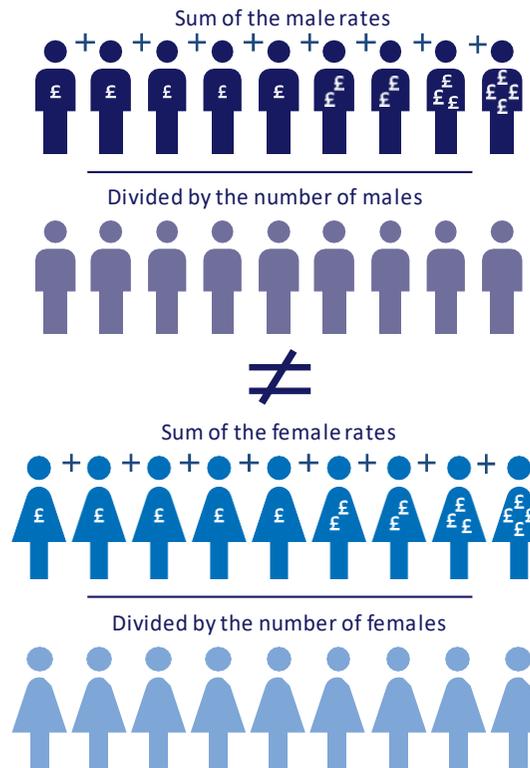
The median is the middle point of a range of numbers and the mean is the average of a range of numbers. How do we calculate this for gender pay gap reporting?

**Median pay gap** – If all our male team members stood in a line in order of lowest hourly rate earned to highest and all females did the same, the median pay gap (as a percentage) is the difference in pay between the middle team member on the male line and the middle team member on the female line.



**Mean pay gap** – If we add together all the hourly rates of male team members and calculate the average and do the same for female team members, the mean pay gap (as a percentage) is the difference in pay between the average male and female hourly rate.

### Mean pay gap



## How is the bonus gap calculated?

The mean and median bonus gaps are calculated in the same way as the gender pay gaps. However, this time we use the actual bonus paid to team members. We also report the number of male and female team members receiving a bonus (as a percentage of the total male and female population).

## How are the pay quarters calculated?

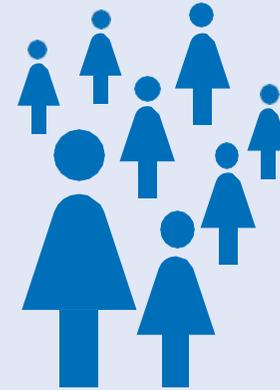
Pay quarters are calculated by dividing all hourly rates paid across the business, from lowest to highest, into four equal sized groups of team members and calculating the percentage of males and females in each.

# Our 2021 results

For the 12 months ending 5th April 2021



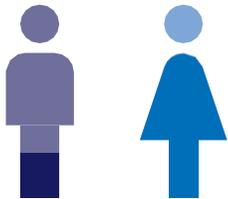
Percentages of all our male and female team members



## Pay quarters

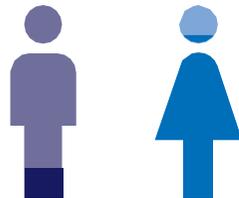
The percentages of all male and female team members within each quarter pay band is:

### 1st QUARTER



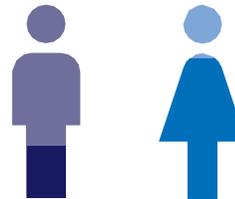
21.2% 78.8%

### 2nd QUARTER



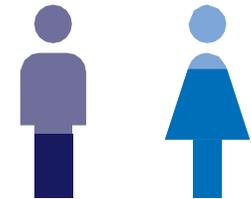
16.1% 83.9%

### 3rd QUARTER



27.3% 72.7%

### 4th QUARTER



33.5% 66.5%

£

£m

# Our 2021 results

For the 12 months ending 5th April 2021

## Gender pay gap

### Median pay gap



### Mean pay gap



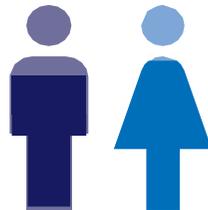
During the reporting year, the business underwent a re-shaping of our workforce to reflect changes in customer demand. As a result, the proportion of males and females in clinical and consultant roles shifted slightly, which in turn led to an increase in our median gender pay gap.

Our mean gap has remained relatively consistent with a decrease of 0.2%.

Median national pay gap 15.4%, mean national average pay gap 14.9% based on estimates from the Office for National Statistics' Annual Survey of Hours and Earnings 2021.

## Bonus gap

62.1%  
received bonus



72.1%  
received bonus

### Median bonus gap



### Mean bonus gap



All bonuses paid in the year to 5 April 2021 are used for the calculation of the bonus gap. The calculation is based on actual bonus paid rather than a full-time equivalent payment and we continue to have a high proportion of female team members who work part-time and received a pro-rated payment which means the mean gap is naturally higher.

We have seen that our median bonus gap has reduced. This year the median data points reflected payments under a Christmas gift scheme offering a single full-time equivalent pay-out value and as the comparators in this case received the same amount, no gap existed. Our mean bonus has increased by 30.4% for the reasons explained above. This calculation is influenced by the variable performance of our different bonus schemes in any given year.

# What are we doing to address our gender pay gap?

We are committed to encouraging and supporting team members across the organisation and inspiring everyone to reach their full potential.

## WHAT WE'VE DONE SO FAR

We continued to introduce new initiatives to support women in their day to day experience of working at Boots and in their aspirations to develop and progress. Examples of these include:

- To understand the effects of the **COVID 19 pandemic** on women and their careers, our Women of WBA Business Resource Group members participated in academic research on the subject.
- To further build on our business goal to increase the number of women in leadership roles, we introduced **mandatory diverse shortlist and interview panels** for leadership roles.
- We introduced WBA-wide **Diversity, Equity & Inclusion goals** and tied these performance metrics to our bonus schemes.
- We paid our team members **full pay during periods of furlough** throughout the pandemic and the various periods of national lockdown.

## WHAT WE WILL BE DOING

To maintain and build on our progress so far, we will be:

- Introducing an **Executive Diversity, Equity and Inclusion steering committee** who will lead the agenda within the organisation and who will hold themselves and others accountable for progress.
- Conducting **senior manager workshops on diversity and inclusion** covering the key concepts and the importance of equity initiatives.
- Piloting a **reciprocal mentoring scheme** so our leaders can understand more about the lived experience of women in our organisation.
- Providing leader and team member **training on the menopause**; the symptoms, how this can affect women at work, and how to provide support.
- Implementing software to ensure our **job adverts and job descriptions use non gender biased language** to encourage more women to apply for jobs at Boots.
- Conducting a **company wide survey on flexible working** to understand how best to support our team members' preferred ways of working in the wake of the pandemic.
- Developing our talent and succession plans by having **regular talent forums** with a focus on how we can encourage increased diversity in certain roles.

We confirm that the information contained within this report is accurate.



**BEN HORNER**

HR Director  
Boots UK & ROI



**ANNA CASSELL-WARD**

Finance Director  
Boots Opticians