

## Gender pay gap report 2021

### ITX UK Limited

The UK government requires all employers with 250 or more employees to disclose their gender pay gap on an annual basis. We are pleased to report out 2021 gender pay gap statistics. We are committed to reducing our gaps and ensuring that all staff can achieve success at ITX.

#### What is the Gender Pay Gap?

The gender pay gap measures the difference in the average pay of men and women across the organisation regardless of their role. The gender pay gap is reported as a mean average and median average (mid-point) figure.

A gender pay gap exists in most organisations. Based on estimates from the Office for National Statistics' Annual Survey of Hours and Earnings 2021, the current mean pay gap is 14.9%. This signifies that, on average, women are paid 14.9% less than men nationally. In the retail sector the mean pay gap is 11.8%. The median pay gap is 15.4% nationally and 7.5% within the retail sector.

The gender pay gap is not the same as equal pay. Equal pay focuses on individual roles and is the requirement that men and women are paid the same for carrying out the same or similar work.

	<u>2021</u>
<b>Mean gender pay gap</b>	10.2%
<b>Median gender pay gap</b>	1.5%
<b>Mean bonus gap</b>	29.8%
<b>Median bonus gap</b>	0.0%
<b>Proportion of men receiving a bonus</b>	64.0%
<b>Proportion of women receiving a bonus</b>	69.4%
<b>Lower quartile (percentage women)</b>	85.2%
<b>Lower-mid quartile (percentage women)</b>	80.6%
<b>Upper-mid quartile (percentage women)</b>	82.2%
<b>Upper quartile (percentage women)</b>	75.6%

The figures in this report relate to ITX UK Limited. In October 2021, all employees of ITX brands transferred to this entity. This includes Zara, Zara Home, Massimo Dutti, Bershka, Pull & Bear and Stradivarius.

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Our figures show that, at 1.5%, our median gender pay gap is significantly lower than the median for the retail sector in general. This means that if we put all the women in our organisation in a line in order of their pay and did the same for all the men in our organisation, the pay of the middle woman and middle man is almost exactly equal.

Our mean pay gap is higher, and at a similar rate to the retail sector in general.

#### Understanding our data

The vast majority of our staff are women, and they are well represented at most levels of the business. It is this even distribution of women throughout the business that drives our negligible median pay gap.

Our mean pay gap exists because, although 75.6% of staff in our best paid quartile are women, this is slightly lower than in the other three quartiles of our business. We employ proportionately fewer men, but they tend to be found in some of the most senior roles. Because of the way the mean pay gap is calculated, it can be distorted by a few individuals. This also affects our bonus gaps.

To reduce our gaps, we need a two-pronged approach. Firstly, we need to ensure that women occupy the most senior roles in similar proportions as the rest of the business. We also need to achieve greater gender diversity in our lowest paid roles.

## **Moving forward**

We are committed to providing an inclusive work environment that empowers all our employees without exception. The principles of inclusiveness and equality of opportunity are embedded throughout our employment policies, including our practices on recruitment and selection, compensation and benefits, promotions, transfers, professional development and training, and all other terms and conditions of employment.

Since 2006 we have supported the EQUAL Community Initiative, which is co-financed by the European Commission together with the Spanish Coordinator of the European Women's Lobby and the Carolina Foundation. This initiative encourages businesses to implement measures for reducing workplace gender inequality while fighting all forms of discrimination within and beyond the labour market.

Our data goes some way to demonstrating that such initiatives are working in practice to guarantee gender equality, but it also shows that there is more work to be done.

That is why our Group decided to enter into a long-term process of continuous improvement with the international GEEIS label, which helps us to structure our policy with progress targets and to be assessed by an external third party, Bureau Véritas Certification. This is how Inditex is piloting its global gender policy at an international level.

At the same time we participate as a sponsor in the Arborus Foundation which is a pioneer in terms of equality and inclusion. We have also been awarded the GEEIS-SDG trophy, by the most important international institutions and we are participating in the launch of the first "zero discrimination" barometer which will be launched in 2022, both supported by Arborus.

Every year, the dedication of each part of our Group works to invest in a more equal workplace, which has been recognised by gender equality indexes such as Bloomberg, Equileap and refinitiv.

We know that this is a long-term commitment. We will continue to drive these efforts to ensure that all brands within the ITX family have more inclusive workplaces where everyone can reach their full potential.

I confirm that this information is accurate.

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**José Manuel Romay de la Colina**

Director

ITX UK Limited 4 April 2022