



salonservices

sallybeauty

PRO)DUO

SALON SUCCESS
THE DISTRIBUTOR OF CHOICE

Sinelco

Gender Pay Gap

Report 2023/2024

Sally Salon Services Ltd *(UK Business Entity of Sally Europe)*

Contents

03

Introduction

04

What is the
Gender Pay Gap?

05

Our Findings

06

Supporting our
People

07

Sign off

Introduction

Everyone is welcome here

At Sally Europe, cultivating a diverse and inclusive environment is a core part of our values. We remain committed to gender equity and providing all our people with a great place to work, where you can be yourself and there are opportunities to develop both personally and professionally.

This report covers the gender binary, men and women, and their pay gap in detail. Whilst this report will be expressed in binary gender terms, we wish to be clear that everyone is welcome here.

One of our commitments is to build a truly diverse and inclusive company, where working here should be a level playing field, for everyone, regardless of sex, gender, age, race, class, nationality, religion, disability, sexuality or any perceived difference. Our aim is always to celebrate diversity, to be gender neutral and for everyone to experience a genuine sense of belonging. Our Gender Pay Report undertakes to measure and reflect our UK company-wide pay in terms of male and female. Whilst we have decreased our gap over the year, there is still a pay gap between men and women in Sally Salon Services Ltd, which we will explore in this report and infographics. Only by understanding what creates the female pay gap will there ever be a chance to close it.

At Sally Salon Services Ltd, and across our Sally Europe family, we are made up of a vibrant and diverse group of people across the gender spectrum. We add colour to the world through our people.

What's the Gender Pay Gap

As part of the Government's commitment to tackle gender inequality, the gender pay gap report was introduced in 2017 for businesses with over 250 employees. It's a different concept from equal pay and the two should not be confused. Equal pay requires that women and men carrying out the same or similar work in the same employment must receive the same pay. Sally Salon Services Ltd is an equal-pay employer.

The Gender Pay Gap measures **the difference between the average earnings of women and men across the business**, regardless of the work they do. This is expressed through reporting the differences in mean and median earnings calculated on the basis of equivalent hourly rates.

The gender bonus gap is the difference in all incentive pay received by men and women in the previous 12 months. This includes all bonuses, long-term incentives and sales commission payments.

Our UK entity – Sally Salon Services Ltd – is required to measure and report annually our gender pay gap for male and female employees across England, Northern Ireland, Scotland and Wales. The results are based on the pay data on the 5th of April each year to allow us to make annual comparisons. **This report captures the data on April 5th 2024.**

$$\frac{\text{£} + \text{£} + \text{£}}{\text{Number of female employees}} = \text{Mean £}$$

Difference = **Mean pay gap**

$$\frac{\text{£} + \text{£} + \text{£}}{\text{Number of male employees}} = \text{Mean £}$$

Lowest pay | Highest pay

£ | £ | £ | £ | £

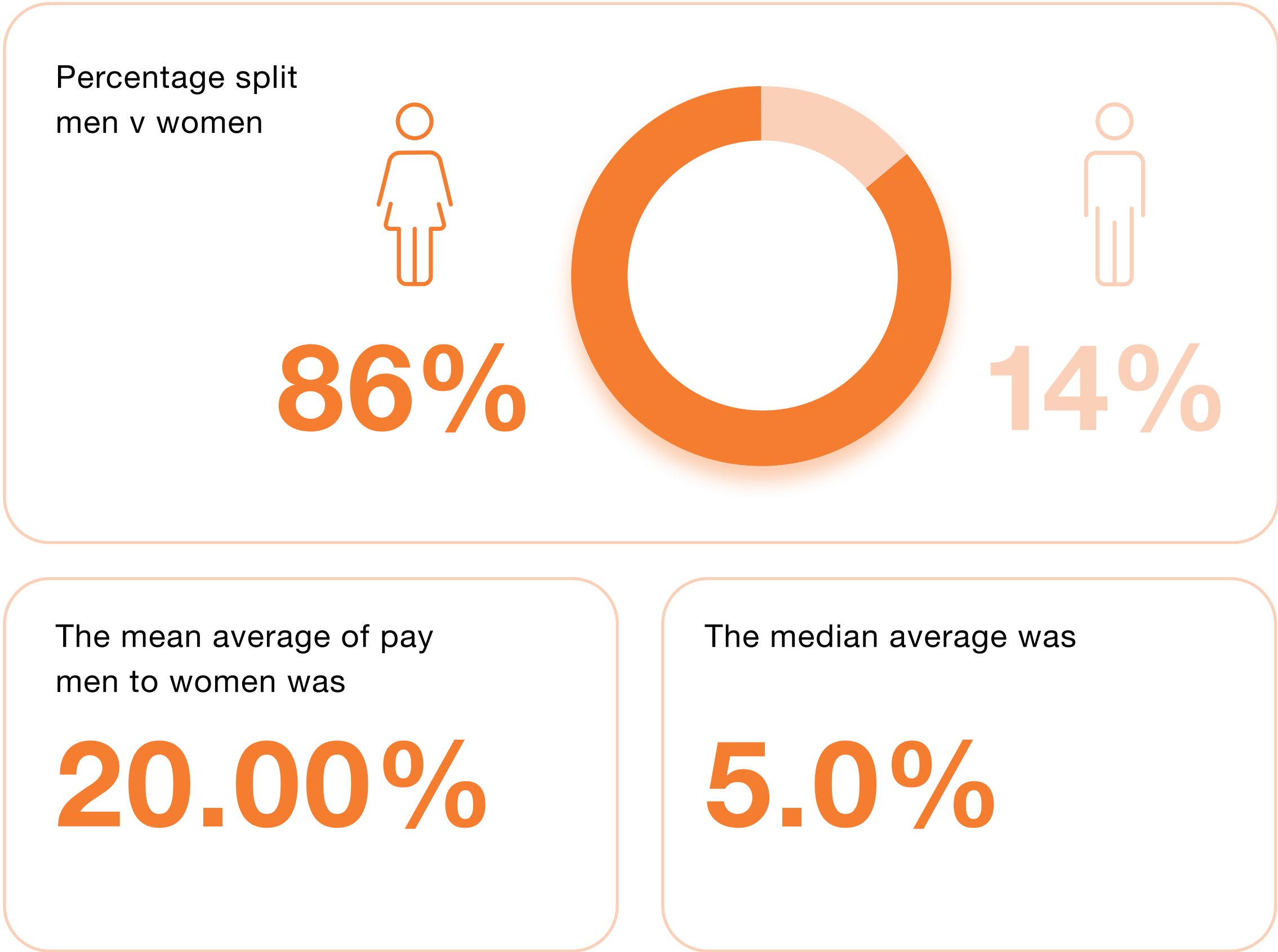
Difference between middle = **Median pay gap**

£ | £ | £ | £ | £

Our Findings

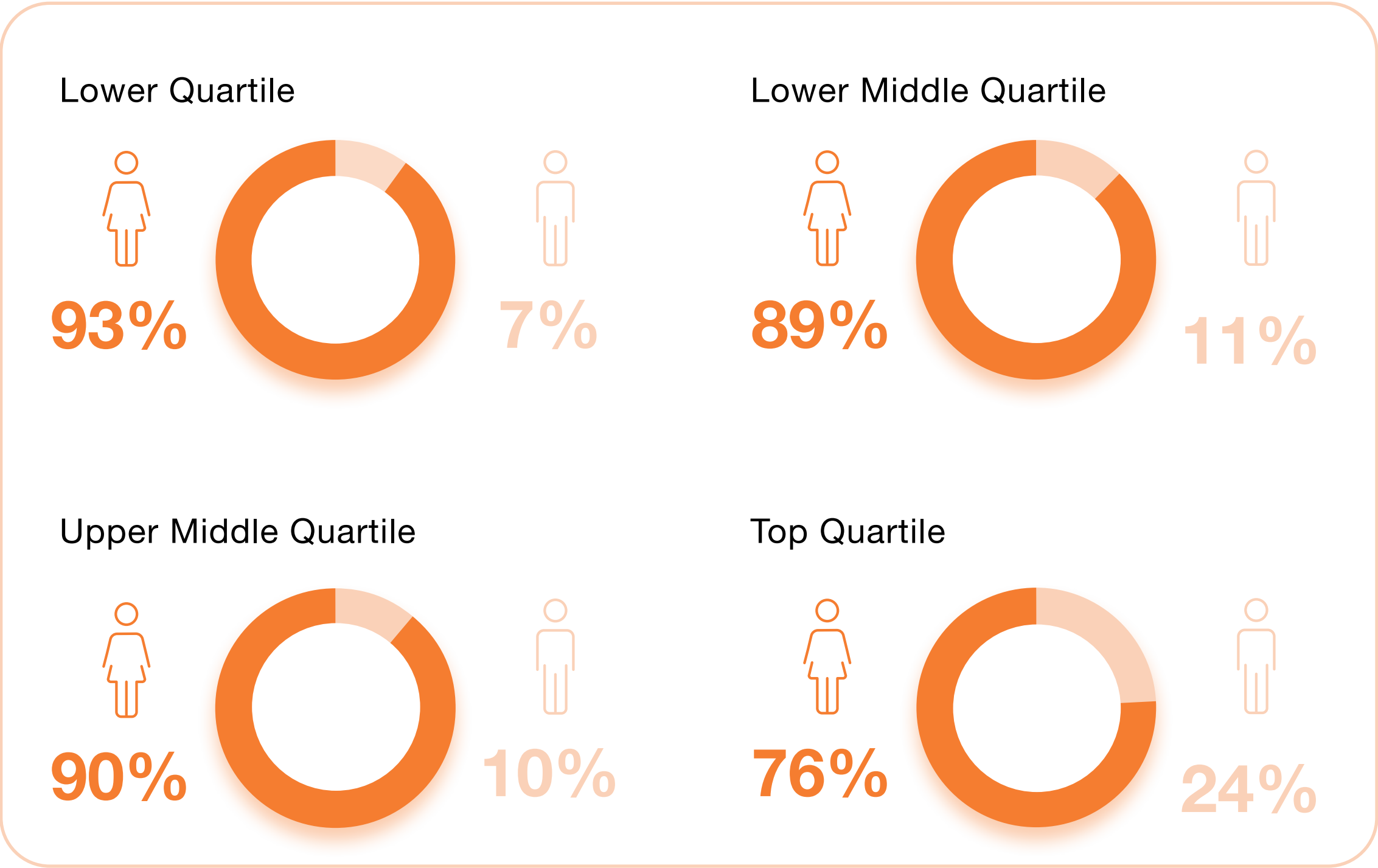
Similar to previous years, our analysis shows that our Gender Pay Gap is largely driven by our workforce profile. Working within the Beauty and retail sector and given the profile of our customers, our employee base is predominantly female (86% of the UK workforce). Moreover, females account for 95% of our workforce in our Retail stores, where pay rates, while market competitive, tend to be lower than for office-based roles. As a result, we see our gender pay gap figures appear unfairly skewed towards males and our lowest-paid quartile largely consists of females. Fundamentally, the drivers of our gender pay gap reflect challenges common across the beauty industry

Gender Pay Gap



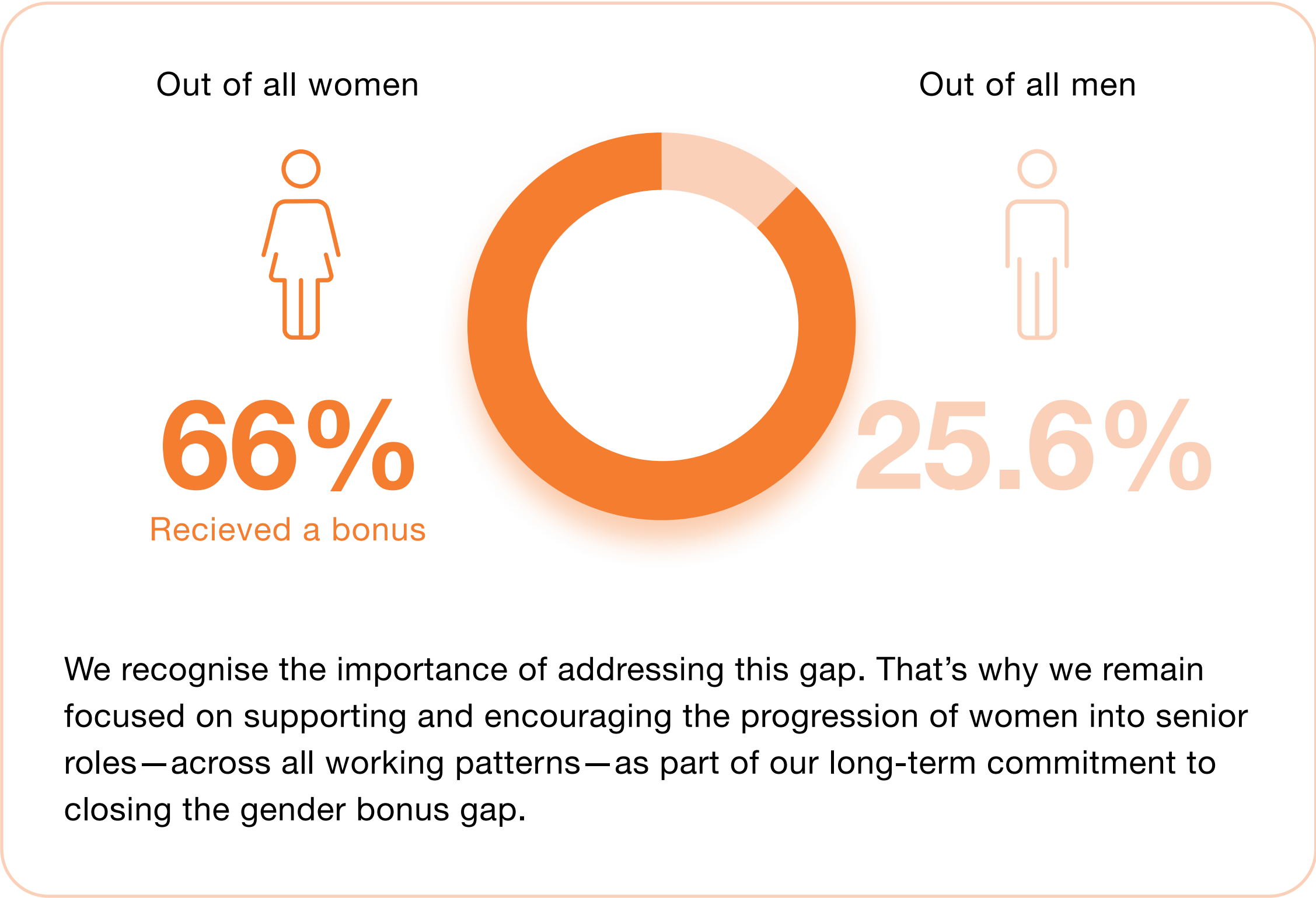
Our mean gender bonus gap has remained relatively stable. A key factor influencing this is the structure of our workforce. Currently, **62%** of our Retail roles are held by part-time employees, the majority of whom are women. These roles often appeal to those seeking greater flexibility or improved work-life balance.

Pay Quartiles



Gender Bonus Pay Gap

As bonuses and commissions are typically prorated for part-time hours, the high proportion of part-time female employees inevitably impacts our overall bonus gap.



Supporting Our People

At Sally Europe, we will continue to work towards our purpose; to inspire a more colourful, confident and welcoming world. We recognise that while we have areas to celebrate we are committed to taking care of our people and working on closing the gender gap.

Our employees are the heart of our business. Here are just a few of the ways that we are improving our workplace culture:



Wellbeing programme

We continue with our partnership with Retail Trust and have enhanced our Employee Assistant Programme to include several tools to support our employees' financial, physical and mental wellbeing. We have also invested in introducing new guidance around mental health and menopause to drive inclusivity.



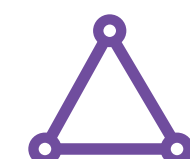
Development of talent

We have made a significant investment in a new digital learning platform for both Retail and Corporate employees and we continue our partnership with Opensesame. We have launched several digital learning programmes providing opportunities for our employees to develop their skills and capabilities across Leadership, Inclusion and functional expertise.



Diversity, Inclusion & Belonging Strategy

We are continuously working to implement our Global Strategy, which includes driving communication and education to help our colleagues enhance their knowledge and understanding of one another. We have also provided Inclusive Leadership Training to our people managers giving them the tools to celebrate the diversity of thought and perspective within our teams.

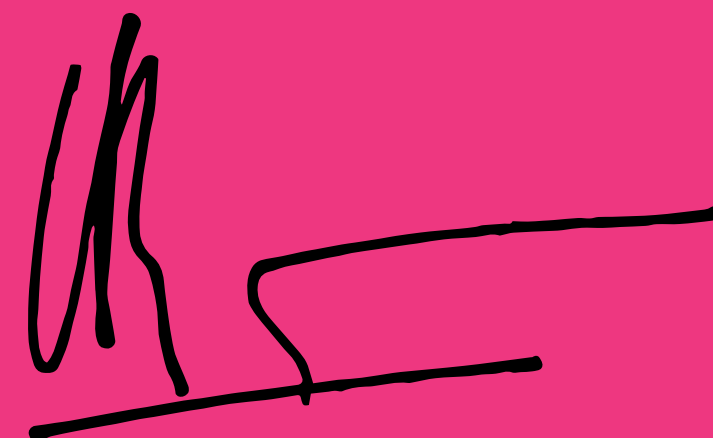


Employee Led Networks

In order to adequately address disparities in the workplace, we recognise that we must actively seek out the voices and perspectives of people who have typically been underrepresented in the wider world of work. In 2023, we introduced our Sally Europe LGBTQIA+ network to harness ideas and leverage our differences.

At Sally, we will always make every effort to improve our gender pay gap and we have taken positive actions that we feel will reflect in our employees' futures, drive equality and increase wellbeing. We are seeing the Gender Pay Gap decreasing year on year and we are constantly looking for ways to attract and nurture the widest possible talent pool. We will take every opportunity to drive equality and we aim to narrow our gender pay gap further wherever we can.

We confirm that our data is accurate and has been calculated in accordance with the statutory requirements as required under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2021.

A handwritten signature in black ink, appearing to be 'O. Badezet', written over a horizontal line.

Olivier Badezet - SVP & Managing Director - Sally Europe