

GENDER PAY GAP

REPORT 2017

YOOX
NET-A-PORTER
GROUP



FOREWORD

At YNAP, we are proud to be a responsible business that acts with integrity and works ethically. Our growth and sustainability are dependent on empowering our people including the wide range of women who work with us.

Our people ambition is to be the destination employer for the best talent, creating an environment and culture where employees can achieve their potential, feel valued and be inspired to deliver career defining work.

We believe in addressing the gender pay gap and driving initiatives that ensure YNAP is a place where everyone is supported and encouraged to be their best.

Women currently represent two-thirds of our workforce and we have gender parity on our Executive Committee (50% female representation) and across our Senior and Middle management teams.

This report provides our gender pay gap information for the UK, where our representation of women is currently 66%. It also discusses the causes of the pay gap and our plans to address it and strengthen our position on gender pay parity at YNAP.



MEASURING THE PAY GAP

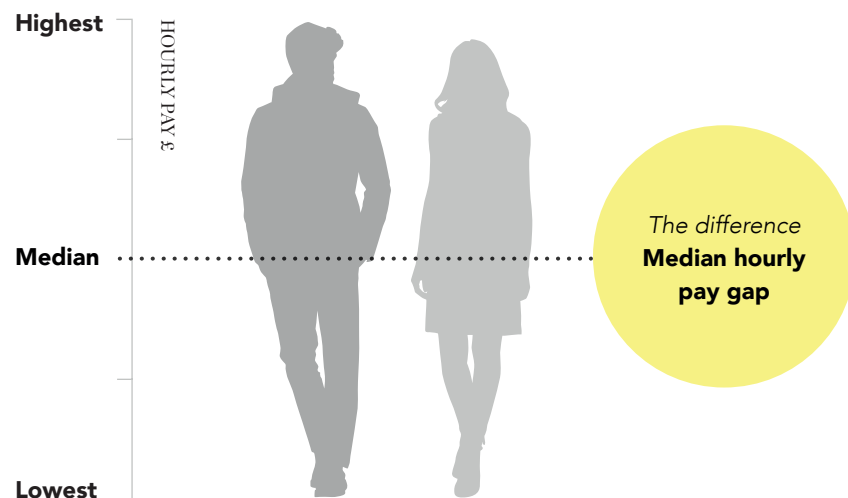
Under the UK Government's new Gender Pay Gap reporting regulations, all employers in the UK with 250 or more employees must now report their gender pay gap by sharing the median and mean (average) pay gaps between men and women's hourly pay and bonuses. This provides a snapshot of the gender balance within a given hierarchy.

This is distinct from Equal Pay, which means men and women being paid

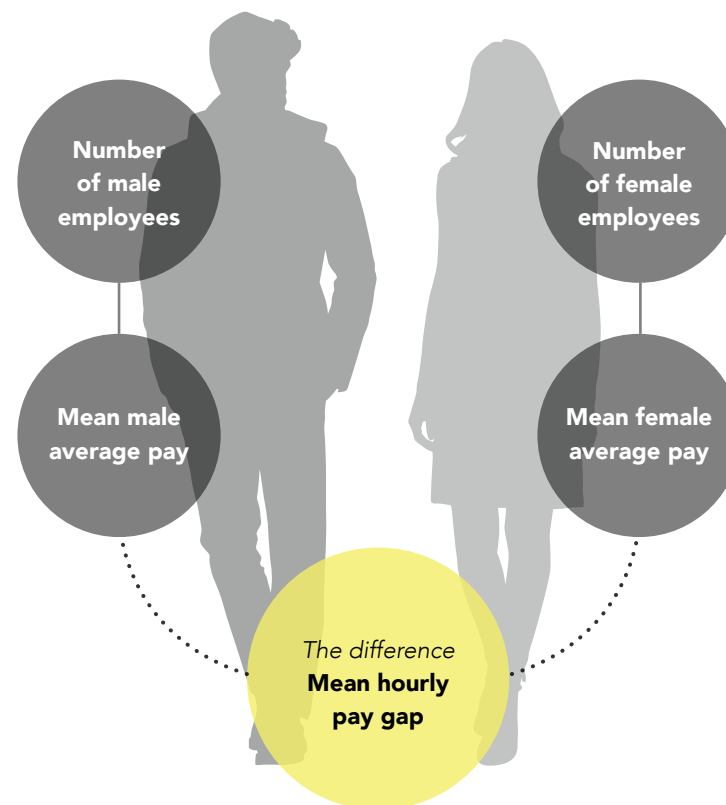
the same for carrying out work of equal value. We are pleased to report that our analysis shows no discrimination against females or males at YNAP in this respect, and we therefore meet our equal pay obligations.

The data in the next section shows the median and mean pay gaps between men and women's hourly pay and bonuses. We will also share the proportion of men and women in each pay quartile.

How we calculate the median difference



How we calculate the mean difference



UNDERSTANDING OUR PAY GAP

The median pay gap for employees across our UK business is 16.1% and the mean 17.6%.

At YNAP women represent two-thirds of our workforce and half of our Executive Committee, Senior and Middle management teams.

Our pay gap is influenced primarily by two linked factors:

1 YNAP has a high representation of women in the first three quartiles (Lower, Lower Middle and Upper Middle), characterised by more non-tech and entry-level roles. In the fourth quartile (Upper) YNAP has nearly an equal split between men and women.

2 YNAP is a technology-focused company - while the ratio of women employed in tech at YNAP compares favourably with the wider technology industry, this remains a sector where men tend to account for a higher proportion of the total.

Due to the greater representation of men, in addition to tech roles typically commanding a higher pay premium, this causes a gender pay gap within the business.

YNAP recognises there is room for improvement and is resolutely committed to improving the representation of women working in tech and encouraging school children, particularly girls, to pursue a career in technology.

Our pay gap explained

Median Pay Gap	16.1%	ONS Great Britain Median	18.4%
Mean Pay Gap	17.6%	ONS Great Britain Mean	17.4%
Median Bonus Pay Gap	16.0%	% of men receiving a bonus payment	84.0%
Mean Bonus Pay Gap	24.0%	% of women receiving a bonus payment	81.0%

Proportion of men and women in each pay quartile

	Lower Quartile <i>lowest earners</i>	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile <i>highest earners</i>
Male	31%	27%	31%	54%
Female	69%	73%	69%	46%

All data as at 5 April 2017

ADDRESSING THE PAY GAP

Overall, these figures provide a baseline for us to build upon, as we continue to drive initiatives that support our ambitions of achieving gender parity in areas where we are under-represented by women such as in tech. Furthermore, we are committed to protecting equality in pay and establishing a broader diversity and inclusion agenda.

The results of the Gender Pay reporting highlight an opportunity to enhance our approach to talent attraction, development and career progression. We are committed to taking action in order to increase the representation of women and other under-represented groups at YNAP.

We recognise the importance of having clear structures and policies in place to guide pay decisions across the organisation.

In addition, we understand the importance of being a meritocracy, which encourages continuous feedback and helps coach our future female leaders.

We have already been involved in delivering a number of key projects and are proud of our efforts and accomplishments to date.

We're committed to making further improvements by:

- Continuing to develop the initiatives driven by our Women in Tech community therefore attracting and inspiring our next generation of female tech talent through diversity of thought and investment in tech education.
- Boosting digital skills for our future talent pipeline by continuing and further enhancing our 'Code Lab' sessions with Imperial College.
- Developing our family friendly and flexible working policies and practices to help women in the business thrive.
- Developing a talent academy to enhance our training and coaching opportunities for women at all stages of their career.
- Continuing to review and monitor our pay and reward practices.



YNAP

YOOX NET-A-PORTER GROUP

(YNAP) is the world's leading online luxury fashion retailer.

We employ approximately 4,700 people globally (1,800 in the UK) who work across Operations, In Season, Off Season and Online Flagship Stores, Technology and Corporate business functions.

Our Gender Pay Gap Reporting Data is taken from the snapshot date of 5 April 2017. All other people statistics contained within this paper are taken from our sustainability report figures dated 31 December 2017.

Declaration

Our Gender Pay Gap figures have been calculated in line with the regulations set out in the Gender Pay Gap Reporting legislation. We confirm the gender pay data reported is accurate as of the snapshot date 5 April 2017.

Deborah Lee
Chief People Officer

