

GENDER PAY GAP

REPORT 2018

YOOX
NET-A-PORTER
GROUP



FOREWORD

At YOOX NET-A-PORTER GROUP, we are committed to creating a culture of inclusivity and gender balance, where everyone can reach their potential without barriers.

We believe in addressing the gender pay gap and driving initiatives that ensure YOOX NET-A-PORTER GROUP is a place where everyone is supported and encouraged to be their best.

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

This report provides our gender pay gap information for the UK, where our representation of women is 66%. It also discusses the causes of the pay gap and our plans to reach gender pay parity across YOOX NET-A-PORTER GROUP.

“At YOOX NET-A-PORTER GROUP we believe in gender balance. We want everyone to fulfil their potential. There should be no barriers to realising ambitions. We think that in a global business like ours, only by valuing differences we will keep making the difference and keep innovating for our customers”

Deborah Lee
Chief People Officer



MEASURING THE PAY GAP

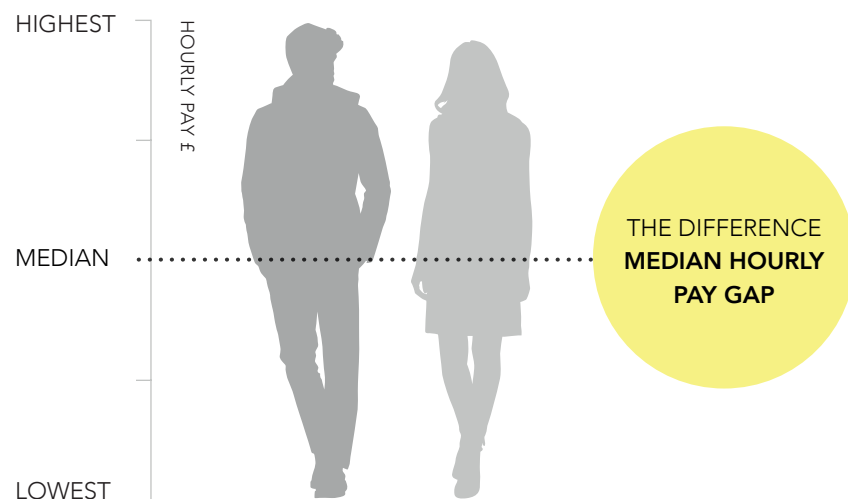
Under the UK Government's Gender Pay Gap reporting regulations, all employers in the UK with 250 or more employees must report their gender pay gap by sharing the median and mean (average) pay gaps between men and women's hourly pay and bonuses. This provides a snapshot of the gender balance within a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

This is distinct from Equal Pay, which relates to men and women being paid the same for carrying out work

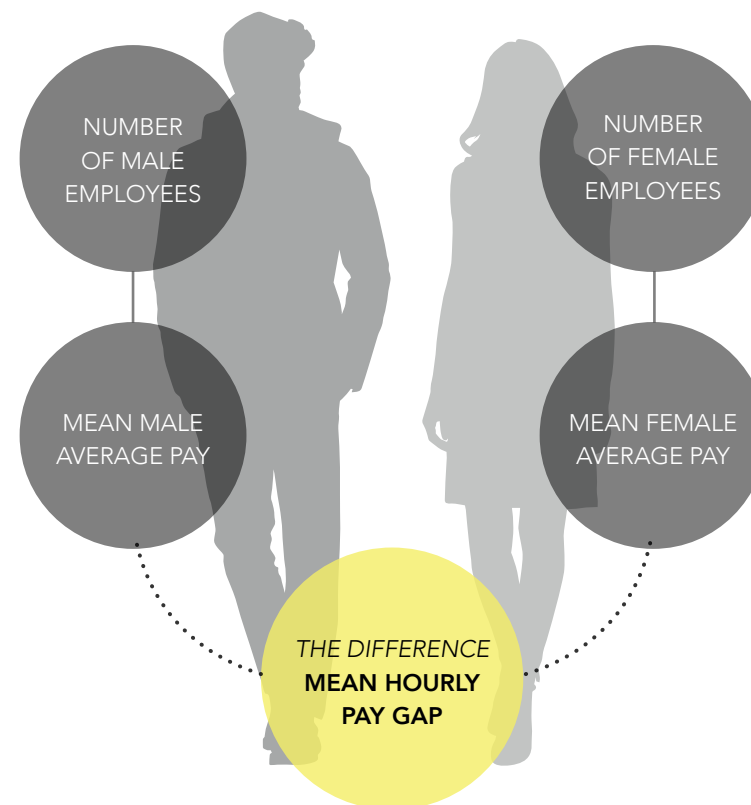
of equal value. We are pleased to report that our analysis shows no discrimination against females or males at YOOX NET-A-PORTER GROUP in this respect, and we meet all our equal pay obligations.

The data in the next section shows the median and mean pay gaps between men and women's hourly pay and bonuses. We 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 2018

The mean pay gap for employees across our UK business is 14.7% and the median is 24.7%.

At YOOX NET-A-PORTER GROUP, women represent two-thirds of our workforce globally and half of our Executive Committee, Senior and Middle Management teams.

The key contributory aspects of our gender pay gap in 2018 include:

- 1 YOOX NET-A-PORTER GROUP has a higher representation of women in the first three quartiles (Lower, Lower Middle and Upper Middle), characterised by more non-tech and entry level roles
- 2 YOOX NET-A-PORTER GROUP is a technology-focused company - while the ratio of women employed in tech 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. We recognise there is room for improvement and are resolutely committed to boosting the

representation of women working in tech – which today is already 30% in the UK, almost double the tech industry average. We are also encouraging school children, particularly girls, to pursue a career in technology.

This year, we report an improvement in the overall mean pay gap of 2.9%. In addition, our continued efforts to address the pay gap in our tech teams has resulted in an improvement in the mean pay gap in technology of 6%.

In 2018, as part of our ongoing commitment to empower and promote women in our industry, we took positive action to increase the number of females into our entry level to further support the development of a female talent pipeline through our business for years to come, including in our tech teams.

Throughout 2018, we have promoted 226 women in the UK into more senior roles, which demonstrates our commitment to creating opportunities for women to pursue a career growth across the group.

Our pay gap explained

Mean Pay Gap	14.7%
Median Pay Gap	24.7%

Mean Bonus Pay Gap	10.0%	% of men receiving a bonus payment	84.0%
Median Bonus Pay Gap	14.0%	% 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	27%	29%	34%	52%
Female	73%	71%	66%	48%

All data as at 5 April 2018

ADDRESSING THE PAY GAP

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 YOOX NET-A-PORTER GROUP.

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 digital education, in order to improve female representation in tech.
- Boosting digital skills for our future talent pipeline by continuing and further enhancing our 'CodeLab' sessions with Imperial College.
- Developing our family friendly and flexible working policies and practices to help women in the business thrive.
- Continuing to ensure our talent attraction strategy offers equal opportunities for future candidates at all levels within the business.
- Leveraging our newly created Academy to enhance our training and coaching opportunities for women at all stages of their career.
- Continuing to increase growth opportunities for women to strengthen our talent pipeline
- Continuing to review and monitor our pay and reward practices

YOOX NET-A-PORTER GROUP

YOOX NET-A-PORTER GROUP is the world's leading online luxury fashion retailer.

We employ over 5000 people globally (1,932 in the UK) who work across our three divisions: Luxury Division, Fashion Division and Online Flagship Stores Division as well as: Technology & Operations and Corporate business functions.

Our Gender Pay Gap Reporting Data is taken from the snapshot date of 5 April 2018. All other people statistics contained within this paper are updated as at 31 December 2018.

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 2018.

Deborah Lee
Chief People Officer