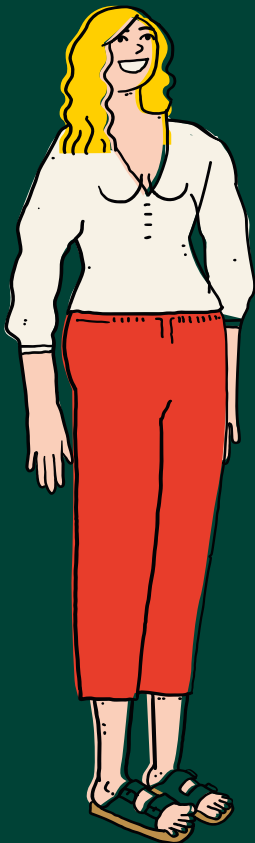




THE BODY SHOP

GENDER PAY GAP

REPORT
2023



INTRODUCTION

This report outlines The Body Shop UK **gender pay gaps in 2023** and what causes them. This report covers time when The Body Shop was owned by Natura & Co.



Tony Wright
Joint Administrator,
FRP Advisory Limited¹

THE SMALL PRINT

This report meets the requirements of The Gender Pay Gap Information Regulations 2017. While gender isn't binary, UK government regulations require us to report our gender pay gaps in terms of women and men based on how our employees describe their gender to us.

The data on pages 2-4 relates to our UK-based employees on 5 April 2023. It covers 2,165 employees (83% women, 17% men). 62% of these employees worked in our stores. The rest worked in our offices or distribution centre.



¹The Body Shop International Limited (In Administration) Following the making of the Administration Order on 13 February 2024, the affairs, business and property of the Company are being managed by the appointed Joint Administrators, Anthony John Wright, Alistair Rex Massey and Geoffrey Paul Rowley. The Joint Administrators act as agents of the Company and without personal liability.

UNDERSTANDING OUR GENDER PAY GAPS

Like many retail brands, our 'raw' gender pay gap exists because:

- Our store-based roles typically have lower pay and bonus rates, and over 90% of these roles are held by women
- Most of the men we employ work in mid- to senior-level roles at head office.



OUR UK GENDER PAY GAPS

MEAN gender pay gap: The difference in the average hourly pay of all women and men we employed on full salary on 5 April 2023, including salaries and bonuses.²

MEDIAN gender pay gap: The difference between the middle hourly pay rate of all women and men we employed on full salary on 5 April 2023, including salaries and bonuses.

Gender pay gap figures		
	Mean	Median
Overall	40.3%	34.2%
Store-based roles	1.0%	2.4%
Non-store	12.0%	-2.1%

We have reduced both the overall mean and median pay gaps, compared to 2022. We have also reduced the mean and median pay gaps since we started reporting in 2017.

² For the purposes of UK Gender Pay Gap reporting, bonus payments include: central bonus payments (i.e. Non Store annual bonus), Long Service Awards, Incentive Bonuses, Christmas Bonus (Store only), Special Bonus, Miscellaneous Bonus, Referral Award, Retention Supplements, and LTIP's vests.

Our overall mean and median pay gaps exist because women and men tend to work in different kinds of roles at The Body Shop. **When we compare just store-based roles or just non-store roles as shown in the table, these pay gaps are significantly lower.**

OUR GENDER BONUS GAPS

MEAN gender bonus gap: The difference in the average bonus we paid to women and men from 6 April 2022 to 5 April 2023.

MEDIAN gender bonus gap: The difference between the middle bonus rate we paid to women and men from 6 April 2022 to 5 April 2023.

Gender bonus gap				
	Women receiving bonus	Men receiving bonus	Mean gender bonus gap	Median gender bonus gap
Overall	38.0%	30.1%	92.3%	62.3%
Store-based roles	44.5%	34.8%	-8.9%	-5.6%
Non-store	21.3%	28.6%	75.1%	35.8%

In 2023, the proportion of our employees who received bonus payouts significantly reduced due to challenging business performance. This was most striking for men – less than half as many received bonuses than in 2022.

Our gender bonus gaps reflect the different role profiles of our female and male employees. Their increase since 2022 largely reflects changes in the gender balance among our small population of leaders, resulting in more men and fewer women receiving high bonuses. When comparing just store-based roles, our bonus gaps favour women.

OUR UK GENDER PAY QUANTILES

This shows the percentage of our women and men employees in each quarter of our pay scale.

	Lower		Lower Middle		Upper Middle		Upper	
	Women	Men	Women	Men	Women	Men	Women	Men
Overall	94.1%	5.9%	92.4%	7.6%	78.4%	21.6%	67.0%	32.0%
Store-based roles	93.8%	6.2%	95.0%	5.0%	94.7%	5.3%	92.0%	8.0%
Non-store	58.3%	41.7%	70.4%	29.6%	71.6%	28.4%	60.6%	39.4%

At every level, The Body Shop attracts more women than men. Like other beauty brands, this is most pronounced in our lower income quartiles, and this is what drives our gender pay gap.

Thank you.

To learn more about our business,
visit us @ www.thebodyshop.com