



THE BODY SHOP

GENDER PAY GAP

REPORT
2022



Introduction

At The Body Shop, empowering women and girls is woven into our DNA. Founded by a strong female entrepreneur, we are proud to attract high numbers of talented women to work with us. As a retail business that provides employment predominantly to women in retail roles that are on the lower end of our pay scales, closing the gender pay gap will always present a significant challenge. This is why we put so much focus into ensuring we have a high percentage of women in the most senior roles in our organization. In 2022, 83% of our UK-based employees were women, and 63% of our global Senior and Executive Leadership Team members were women.

As well as reporting The Body Shop's UK gender pay gaps in 2022, this report explains contributory factors and trends over time. It also outlines how we're tackling them as part of our work to make our business more inclusive and equitable for everyone.

We're proud to employ so many women in roles from the shop floor to the boardroom, often in part-time roles that suit their lives. We want to build on the progress we've made to attract and promote more women and people from under-represented groups into leadership roles. We believe that this will further reduce our gender pay gaps and strengthen our business.

KATRINA WRIGHT
GLOBAL PEOPLE DIRECTOR

**EMPOWERING
WOMEN AND GIRLS
IS WOVEN INTO OUR DNA**

The small print

In accurately portraying our gender pay gaps, 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 6–7 relates to our UK-based employees on 5 April 2022. It covers 2,247 employees (83% women, 17% men). 61% of these employees worked in our stores and the rest worked in our offices or other sites.

“We're continuing to create an internal environment in which every colleague is supported and valued, and has the tools to reach their potential. Externally, we want any person to see themselves reflected in our stores, our people, our marketing images and our products”

NYKEBA KING,
GLOBAL HEAD OF INCLUSION
AND BELONGING

About The Body Shop

Founded in 1976, The Body Shop became a certified B Corp™ in 2019. The Body Shop seeks to make positive change in the world by offering high-quality, naturally-inspired products produced ethically and sustainably, and by campaigning globally for social and environmental justice. Having pioneered the philosophy that business can be a force for good, this ethos is still the brand's driving force.

The Body Shop today is a truly omnichannel business with around 2,500 retail locations (owned and franchised) in more than **80 countries**; The Body Shop at Home direct to consumer channel in the UK and Australia; and an e-commerce presence in **59 markets**.

Along with Natura, Avon and Aesop, The Body Shop is part of Natura & Co. Holdings.

“I started in store at The Body Shop 5 years ago and I received ongoing support when moving into my Head Office role. Since then I have been fortunate enough to be encouraged by women in all areas of the business to pursue a career that empowers and inspires me”

HOLLY ANDERSON,
GLOBAL MARCOMS PLANNER

“Flexible working reflects real life as you have the freedom to manage your time to suit both your professional and personal priorities. It's more realistic and acknowledges that we're all humans who don't come to work in a vacuum – life happens all around us!”

MEGHAN BELCHER, JUSTICE RESEARCH MANAGER



Understanding our Gender Pay Gaps

All employees at The Body Shop receive equal pay for work of equal value in the same location. And they all receive at least the Real Living Wage.

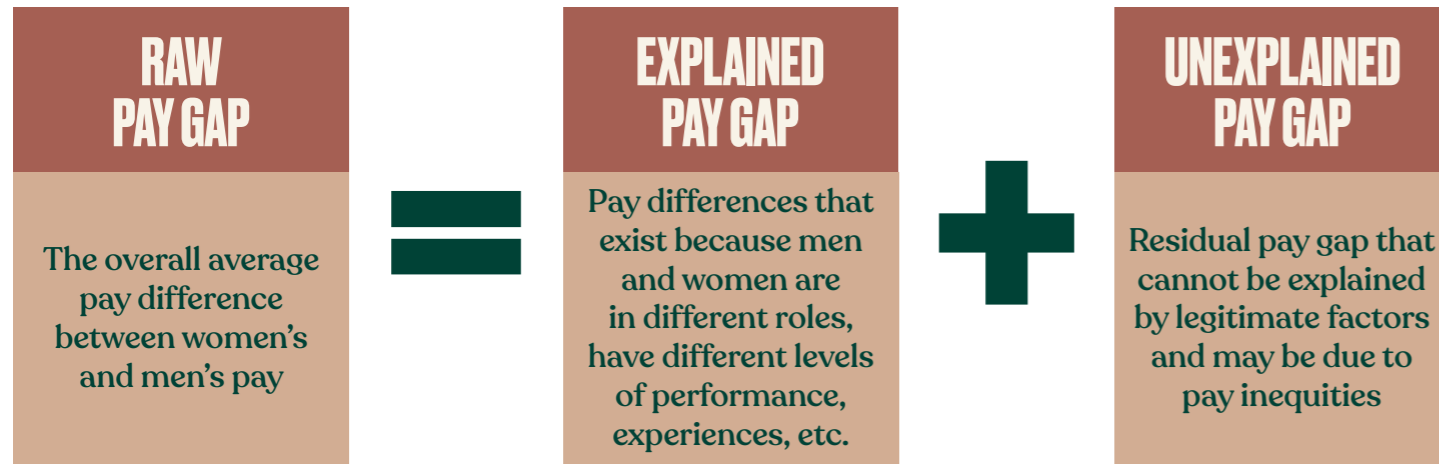
Gender pay gaps highlight organisation-wide patterns, not individual differences.

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

- 61% of roles are store-based, with lower levels of pay and bonuses, and 95% of these roles are held by women
- Most of the men we employ work full-time are at mid- to senior-level roles.

Global Pay Equity Analysis

Each year, we conduct an independent, global Gender Pay Equity review to understand what causes our pay gaps. Most pay differences can be explained by different roles, locations, or experience or performance levels. Our main concern is any remaining unexplained gap between women’s and men’s average pay, which might indicate underlying inequities.



IN 2022, OUR UNEXPLAINED GENDER PAY GAP GLOBALLY WAS 0.7% – WHICH MEANS THAT WOMEN EARN MORE THAN 99P FOR EVERY £1 EARNED BY MEN

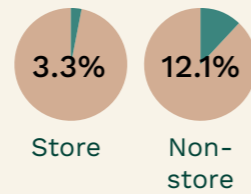
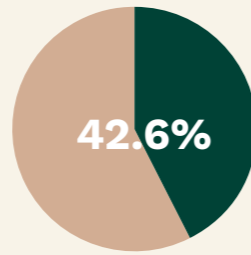


Our gender pay gaps

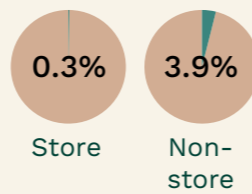
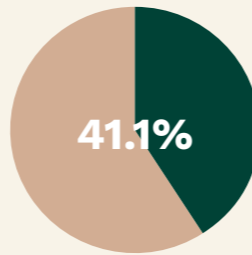
Our overall mean and median pay gaps are high because women and men tend to work in different kinds of roles at The Body Shop. For example, our median female employee in 2022 was a store-based junior employee and our median male employee was a manager. When we compare just store-based roles or just non-store roles, these pay gaps are significantly lower.



Overall mean gender pay gap

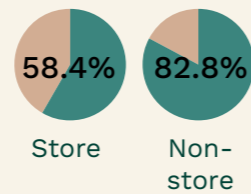
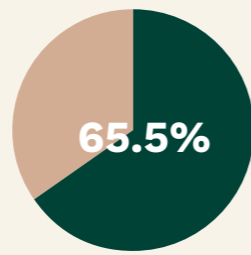


Overall median gender pay gap

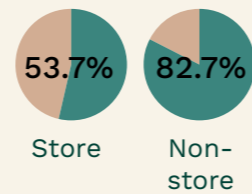
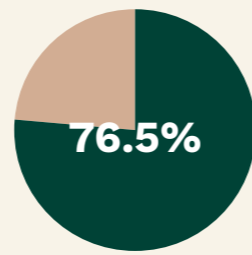


Covid-19 has resulted in some store closures, which has reduced the proportion of our female store managers. We have also recently recruited more new women employees in our distribution centre at entry pay levels.

Overall women receiving bonus



Overall men receiving bonus



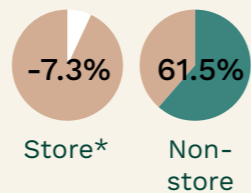
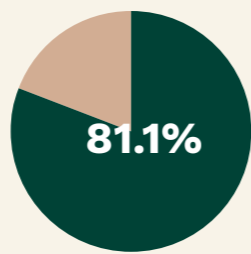
Our gender bonus gaps

In 2022, 65.5% of our women employees received bonuses compared to 45% in 2021 but the proportion of male employees receiving bonuses reduced slightly over this period.

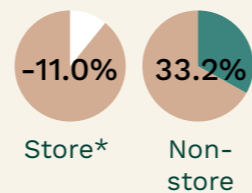
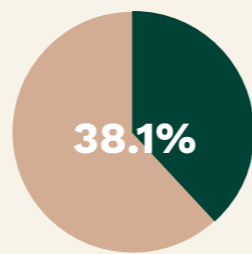


Our high gender bonus gaps reflect the different role profiles and part-time/full-time working patterns of our female and male employees. When we compare just store-based roles or just non-store roles, these pay gaps are significantly lower and our bonus gaps for store employees favour women.

Overall mean gender bonus gap



Overall median gender bonus gap



*These are negative figures

Our gender pay quartiles

	Lower		Lower Middle		Upper Middle		Upper	
	Women	Men	Women	Men	Women	Men	Women	Men
Overall	95.0%	5.0%	92.5%	7.5%	79.9%	20.1%	66.1%	33.9%
Store	95.9%	4.1%	94.7%	5.3%	93.3%	6.7%	95.3%	4.7%
Non-store	61.5%	38.5%	73.8%	26.2%	67.0%	33.0%	61.1%	38.9%



The Body Shop is proud to be a predominantly female company. At every level, we attract more women than men. Like other beauty brands, this is less pronounced in our highest pay bands and more pronounced in our stores.



Promoting Equity and Inclusion

We want The Body Shop to be inclusive and equitable for everyone, whoever they are.

We are committed to ensuring that our leaders come from diverse communities, including women, LGBTQ+ people, people with disabilities, people from ethnically and racially diverse backgrounds.

Our priorities for 2023 are continuing to increase leadership representation of people from marginalised identities, and further strengthening our senior leaders' capabilities and skills around inclusion.

We have initiatives to drive equity and inclusion across everything we do, from our ingredient sourcing to our employment practices and how we use our global voice, including:

- [Community Fair Trade](#)
- [Open Hiring](#)
- [The Body Shop At Home](#)
- [Supporting Historically Excluded Communities](#)
- [Activism at The Body Shop](#)

“We have initiatives to drive equity and inclusion across everything we do”

