Mind the Gap

Gender Pay Gap Report

2018
Whilst this report will be expressed in binary gender terms, we wish at the outset to acknowledge that Lush is made up of a vibrant and diverse group of people who don’t always fit neatly into conventional pigeon holes.

Lush should be a safe place, and 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 opportunity to be equally available to all.

This report undertakes to measure and reflect our company-wide pay in terms of male and female. Whilst we have come out better than the national average, there is still a pay gap between men and women in Lush, which we will explore in this report and infographics.

What we are reporting?
In order to make the gender pay gap more transparent companies who employ more than 250 people are required by law to measure and report their pay gap annually. The law requires male and female pay to be calculated separately to show any gap in Mean Pay, Median Pay, Bonus Pay and overall pay expressed as Quartiles.

Lush is made up of four separate companies - Lush Retail, Lush Manufacturing, Lush Ltd. and Lush Digital - and each of these report separately. However, careers at Lush can have people move back and forth between these separate groups, so in this report we will also show the four companies figures added together into one overall Lush result.

Transparency about whether women are reaching the top of the Lush business is also important. For this reason we are also reporting our numbers of male and female directors.

What is Mean pay?
To calculate Mean Pay you take the total amount of all salary and bonus earned and divide it by the number of staff paid. To see if there is a gender difference, you do one calculation of all the women in the business and a second calculation of all the men in the business.

What is the Median?
If you made two lines of people, one containing every female in Lush and the other line every male, in order of lowest paid at one end to highest paid at the other - the person in the middle of the line is the Median.

Quartiles show the company payroll split into 4 quarters, lowest pay to highest pay - then show how many men and women are in each of those 4 pay bands.

What the Gender Pay Gap looks like across the UK nation as a whole.
Office for National Statistics figures show that in 2018, men on average were paid 17.9% more per hour than women.
Equal Pay and Gender Pay Gap are different things

Since the Equality Act 2010 women’s pay has been protected by law and employers cannot pay women less than men for doing work which is equal. This is called Equal Pay.

However, in the workplace there is still a difference in overall wages of women versus men. Women are not reaching the top ranks of businesses, are not sitting in the same numbers on company boards, are not entering some of the higher paid professions and are not even represented in Parliament in equal numbers. This balance of more men at the top and more women at the bottom creates an environment where men earn more in their lifetime and have more career progression, whilst a higher percentage of women occupy part-time, low-paid and low-skilled roles. This is called the Gender Pay Gap.

So Equal Pay is about what an individual female employee gets paid for their work - but Gender Pay Gap is about adding together the wages of all the female employees in a company, then adding together the wages of all the male employees of the company and looking to see if the total male figure is bigger than the female total.

Requiring companies to measure and report their Gender Pay Gap is an attempt to see if women in the UK are having equal opportunities to men across each business and across the nation as a whole.

The below scenario illustrates how there could be equal pay for men and women doing the same role, and yet still show a Gender Pay Gap.
Only by understanding what creates the female pay gap will there ever be a chance to close it. Employers play a large part in eliminating the gap and giving women the same life choices available to men.

At Lush we are committed to looking at how our pay and policies meet the needs of those working with us. For long term staff this means providing everyone with equal opportunities for progression and the scope for each individual’s skills and passions to contribute to the business, whilst also ensuring that roles can adapt to the changing needs of those individuals and their families.

For transient staff who come to us part time to fit with other life commitments or during their student years, this means paying a Real Living Wage that helps part time work provide a meaningful income.
Beyond the workplace, we all of us need to think about what holds women back from having equality of wages and progression.

There is a large part to be played by Government, who need to legislate further and to fully enforce existing equality laws. But perhaps the largest contribution of all needs to come from all of us as a society, in the ways we raise our children, shape their expectations and ambitions and encourage equal aspirations without limits. How we shape our families, the roles we play within the home and family unit, the hopes and aspirations we encourage in boys and girls and the attitudes and language we use can all help shape future generations to eradicate bias and unfairness.

The fact that so many women work in part time, lower paid roles in our society is a reflection of many things, not just the responsibilities of child rearing and family commitments. Women also have traditionally been less confident in their abilities, less likely to apply for promotion or ask for wage rises and have historically not entered certain high paid sectors such as IT, banking and science. All of these issues need joint action from education, Government, business and all of us who are nurturing the next generation of children.

Lush Manufacturing

The UK Manufacturing National Gender Pay Gap is 20.3% Median

The Lush Manufacturing Gender Pay Gap is 3.7% Median
At Lush we are always looking at ways to help people who show potential for the highest roles but face barriers, whether they be family commitments, lack of skills and training or language skills.

Our aim is to invest in the people we have, to promote from within as a first choice and to show long term commitment to those who come to Lush and want to make a fulfilling career here and achieve the very best they can.

We have long recognised at Lush that there is a danger that those working on our shop and factory floors on hourly rate have less flexibility of choice as they struggle to juggle work and family responsibilities on the lowest incomes. Paying the Living Wage Foundation’s Real Living Wage rate is part of our commitment to ensuring that they do not sink into a poverty trap.
This year our Digital business set up as a separate company, with existing staff transferring from Lush Ltd to the new Lush Global Digital Ltd. This move of many skilled people across to the new company has created a difference in our pay gap figures for Lush Ltd 2017 versus 2018. This highly skilled workforce now appear in the first year figures for Lush Global Digital in this 2018 report.

Worldwide the digital and high-tech sectors have long had the reputation of being male biased. Whilst our own figures do reflect this worldwide trend, they are below the average for this type of business.

Mercer published a thorough report into the pay gap in UK high technology industries, which showed that men across the sector are paid 25% more than women. The report also points out that men are 2 times more likely to reach management level and that women are paid 20% less in bonuses.

With Lush Digital now as a separate business with dynamic and exciting roles to offer, it will be an excellent place for women and minorities wishing to build a career in tech in skilled and technical roles who might face discrimination elsewhere.
Enhancing our maternity and paternal leave was in recognition that many were having to choose between career or having children, instead of being free to do both without loss.

We also recognise that as a business, our responsibilities do not begin and end with those on our payroll. The way we treat our customers, the way we market our products and the way we present our company to the world has an impact and carries implicit messages. For these reasons we never make women feel bad about their age or their looks simply in order to sell them beauty products or define our customers by narrow gender roles. We understand our female customers can be car mechanics, boys can love pink sparkles and others can be challenging the world to rethink their concept of what it is to be male, female or transgender.

The UK National Gender Pay Gap is 17.9% Median

The combined Lush Gender Pay Gap is 3.9% Median

The UK National as a whole

17.9%

0

100

0

100

0

100

0

100

0

100

0

100

Lush (all companies)

10.3% Mean Pay Gap

3.9% Median Pay Gap

18.2% Men

24.4% Men

24.4% Men

36.1% Men

81.8% Women

75.6% Women

75.6% Women

63.9% Women

£ Lower Quartile

£ Lower Middle Quartile

£ Upper Quartile

£ Top Quartile
Who received a bonus

Lush Retail Ltd
- 82.9% Women
- 84.9% Men

Lush Manufacturing
- 80.8% Women
- 80.0% Men

Lush Limited
- 82.4% Women
- 89.0% Men

Lush Digital
- 78.0% Women
- 82.7% Men

Bonuses

Lush Retail Ltd
- 20.7% Mean Bonus Pay Gap
- 16.5% Median Bonus Pay Gap

Lush Manufacturing
- 12.4% Mean Bonus Pay Gap
- 12.5% Median Bonus Pay Gap

Lush Limited
- -27.3% Mean Bonus Pay Gap
- -80.9% Median Bonus Pay Gap

Lush Digital
- -4.1% Mean Bonus Pay Gap
- -20.0% Median Bonus Pay Gap
The other strand of our responsibility as a business is towards those who work hard to provide us with ingredients.

We never forget that their world and society is shaped by their trade with us, so here too we feel a responsibility to ensure that there is fairness and opportunity for all and that we empower women and marginalised groups.

It’s not just in the boardroom or on the shop floor that Lush pays attention to the empowerment and equality of women.

It’s important not to forget that we have an extended reach when it comes to the ingredients and materials we source to make our products. Often we have found that, by paying careful attention, we can find and support women through our trade as well. This means we reach areas of the world where female empowerment through trade can have real and tangible benefits. Take for instance the remote Berber communities in Morocco whose expertise is in the production of Argan oil. For the women of these communities they view business with Lush as more than just a casual exchange of goods:

“Argan oil is the symbol of rural women emancipation in Morocco” [Fatima] Amehri [president of the women’s argan oil cooperative] says.

“Before Lush, our women were not well fed. Before Lush the price was low”. – source: Quartz ; Lush – the dangerous, daring work of making ethical soap.

At Lush we support Maasai women’s groups in Kenya sourcing aloe; In rural India female artisan tailors and designers sew and print our cotton bags; In Northern Ghana a fair trade women’s cooperative hand process and supply our Shea butter. Through doing this we have found committed, talented and powerful women who have seized the opportunities to grow in wealth and confidence and in turn, provides us with meaningful trade and quality ingredients.
Total UK Lush Employees 4,647

Women 3,456 (74.4%)
Men 1,191 (25.6%)

Of which there are 14 directors, 6 women, 8 men:
For more information about the gender pay gap, see: https://uk.lush.com/tag/gender-pay-gap