



## Gender Pay Gap Report 2018

### Claire's Accessories UK Ltd ('CAUK' - Stores / Field)

Claire's Accessories UK employs over 2,000 employees in various field operations roles, ranging from Sales Assistants to Territory Vice President. 98% of our current population are women and 97% is based in our stores.

65% of the field employees hold Sales Assistant and Key Holder positions. Salary levels for these roles are determined by common objective criteria - age group and store location - so any pay gap among this population should be taken as incidental. Sales Assistants and Key Holders constitute all the population in the first quartile, 99% of employees in the second quartile and 54% of employees in the third one.

Store Managers and Assistant Store Managers are another 32% of the field population, of which only 3% are men. Salary levels for this group are also based on objective common criteria – store revenue and location -; however, these roles are subject to the group annual performance appraisal process and therefore are eligible to receiving individual annual merit increases. There is also some level of management discretion around salary levels for attraction and retention purposes in occasional circumstances.

The remaining 3% of the population is formed by the roles of District Sales Manager, Regional Manager, Territory Vice President – all in the fourth quartile - and a small group of support roles. Salary levels for these roles are guided by broader, more traditional compensation principles and are also subject to increase according to individual performance.

#### Gender Pay Gap on Hourly Pay

	<b>Mean</b>	39.3%	<b>Median</b>	19.4%
	<b>Salary distribution</b>			
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
<b>Proportion of men</b>	1.1%	1.2%	1.6%	4.7%
<b>Proportion of women</b>	98.9%	98.8%	98.4%	95.3%

Despite the above figures, a like-to-like hourly rate gender pay gap analysis by role shows there are very little differences among peers.

The gender pay gap mean and median overall figures are consequently explained by two primary factors:

- Those roles with higher base pay hourly rates are held primarily by men – 100% of Territory Vice President and Regional Sales Manager roles.
- The small population of men (2% of the total population in scope of this exercise) means their salaries are less scattered than women's, showing less extreme values which may sway the mean and median figures.

<b>Gender pay gap by role<sup>i</sup></b>		
	<b>Mean</b>	<b>Median</b>
Sales Assistant	0.5%	0.0%
Key Holders	-2.1%	0.0%
Assistant Store Manager	0.1%	-1.7%
Store Manager	0.6%	-2.0%
District Sales Manager	3.3%	1.3%
Regional Sales Manager	All men <sup>ii</sup>	
Territory Vice President	All men	

**Gender Pay Gap on Bonus Payments**

**Mean** 36.6%                      **Median** 51.3%

**Proportion of men receiving bonus payment** 58.3%  
**Proportion of women receiving bonus payment** 43.0%

Incentive schemes for our field population vary by role. Key Holders, Assistant Store Managers, Store Managers and District Sales Managers are eligible for an incentive award should their stores (or the stores under their remit) meet specific sale targets. Awards are expressed as fixed, lump sum figures per role<sup>iii</sup>. There are no individual performance targets or room for manager's discretion.

Regional Sales Managers and Territory Vice Presidents are eligible for an annual incentive under the wider group Annual Incentive Plan. Bonus awards are subject to the achievement of global financial targets as well as individual financial and revenue ones. Awards are calculated as a percentage of their annual base salary and there is no room for manager's discretion either. No bonus awards were granted to this population in the period in scope of this exercise.

A closer look by role to the proportion of men and women receiving bonus payments and the awards gender pay gap shows that, though more men generally received these payments, awards were higher for women, with the exception of the Store Manager population.

	Employees receiving bonus		Gender pay gap by role	
	Men	Women	Mean	Median
Sales Assistant	0.0%	0.6%	No men received bonus award	
Key Holders	87.5%	46.8%	-415.4%	-108.3%
Assistant Store Manager	50.0%	82.6%	-0.7%	36.1%
Store Manager	100.0%	88.2%	31.8%	30.5%
District Sales Manager	100.0%	94.7%	-63.1%	-61.2%
Regional Sales Manager	No bonus awarded during period in scope		No bonus awarded during period in scope	
Territory Vice President	No bonus awarded during period in scope		No bonus awarded during period in scope	

The bonus payment gender pay gap mean and median figures are explained by the same reasons as per the hourly pay. The small population of men (2% of the total population in scope of this exercise) means their payment amounts are more concentrated, showing less extreme values which may skew the mean and median values.

At Claire's we continue to strive for the reduction of the gender pay gap within the CAUK business, especially in quartile 4. Since the snapshot date of 5<sup>th</sup> April 2018 and as of February 2019, we continue to make progress in maintaining and increasing female representation in senior field roles within our CAUK structure.

Claire's is dedicated to the continual development of its learning & development programmes and runs two field management development programmes that are currently 90% filled with female candidates:

- **'CLIMB'** - District Sales Manager to Regional Manager level.
- **'MDP'** - Management Development Programme, Store Manager to District Sales Manager level.

We also run the following Modern apprenticeships. 98% of current people in learning are women.

- Level 2 Retailer
- Level 3 Retail team leader
- Level 4 Retail Manager

Additionally, it is worth noting the CAUK figures do not entirely reflect the true culture of the advancement of women in the global Claire's organisation, as the Global Senior Management Team is based in our Corporate Office in Hoffman Estates, U.S.A. and hence not included in this analysis. The Global Executive Vice President of Stores, the Global Executive Vice President Chief Merchandising Officer, and the Global Senior Vice President of Marketing, roles with full accountability for the global business, are currently held by women. It is also worth mentioning we currently have four Regional Managers of which two are women. However, one of them sits in our ROI structure and the other one could not be counted as a full-pay relevant employee in the terms of this exercise as per the 'snapshot' date.

Claire's ensures that key decisions on compensation and benefits are consistently moderated and transparent. We routinely measure our progress and ensure this is a standing agenda item within our regular management meetings. We will continue being completely transparent and held to account by our workforce on this important journey.



**Lisa Fisher**  
**Director of HR Operations - Europe**

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<sup>i</sup> There are a small number of very heterogeneous support roles which has been excluded from this comparison as there are little to no similarities among the positions. These roles represent 1% of the population in scope and their salaries are across the second, third and fourth quartiles.

<sup>ii</sup> There are currently four Regional Managers of which two are women. However, one of them sits in our ROI structure and the other one could not be counted as a full-pay relevant employee in the terms of this exercise as per the 'snapshot' date.

<sup>iii</sup> Sales Assistants are not eligible for bonus payments except in the event they are 'buddies' in the context of our concessions programme.