



Gender Pay Gap Report 2021 & 2022
Claire's Accessories UK Ltd

Claire's Accessories UK Ltd (CAUK) employs over 1,500 employees in various field operations roles, ranging from Sales Assistants to Territory Vice President. 99% of our current population are female and 98% are based in our stores.

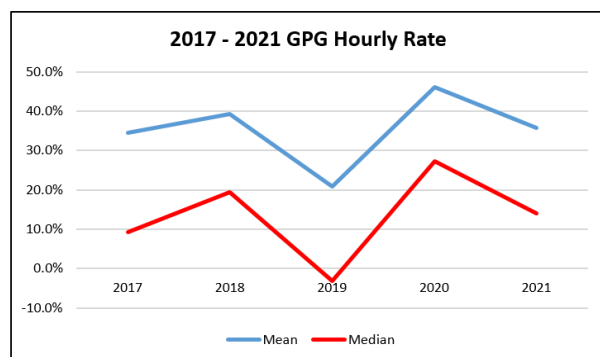
65% of the field employees hold Sales Assistant and Key Holder positions. Salary levels for these roles are determined by common objective criteria - age group and store location - so any pay gap among this population should be taken as incidental. Sales Assistants and Key Holders constitute all the population in the first quartile, 93% of employees in the second quartile, 67% of employees in the third one and 0% of employees in the fourth quartile.

Store Managers and Assistant Store Managers are another 33% of the field population, of which only 2% are men. Salary levels for this group are also based on objective common criteria – store revenue and location – however, Store Managers are subject to the group annual performance appraisal process and therefore are eligible to receive individual annual merit increases (set percentage per performance rating). There is also some level of management discretion around salary levels for attraction and retention purposes in occasional circumstances.

The remaining 2% of the population is formed by the roles of District Sales Manager, Regional Manager, and Territory Vice President – all in the fourth quartile. Salary levels for these roles are guided by broader, more traditional compensation principles and are also subject to increases according to individual performance.

Gender Pay Gap on Hourly Pay

| Gender Pay Gap Hourly Rate | | |
|----------------------------|-------|--------|
| | 2020 | 2021 |
| Mean GPG | 46.1% | 35.7% |
| Median GPG | 27.3% | 14.00% |



The figures above show CAUK’s mean and median gender pay gap based on hourly rates of pay as of the April 5th 2020 and 2021 snapshot dates including a graph that shows GPG results since reporting began in 2017. The results are shown as percentage differences between male and female. Due to the significantly low proportion of males in CAUK, the GPG can dramatically fluctuate year on year.

Proportion of males & females in each quartile

| 2020 & 2021 Salary Distribution by Quartile | | | | | | | | |
|---|--------|--------|---------|--------|--------|--------|--------|--------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Proportion of males | 0.40% | 1.20% | 0.00% | 2.90% | 0.50% | 1.10% | 1.10% | 3.30% |
| Proportion of females | 99.60% | 98.80% | 100.00% | 97.10% | 99.50% | 98.90% | 98.90% | 96.70% |

| 2020 Gender Pay Gap by Quartile | | | | |
|---------------------------------|--------|-------|------|-------|
| | Q1 | Q2 | Q3 | Q4 |
| Mean GPG | 2.0% | -1.0% | 0.0% | 44.0% |
| Median GPG | -36.0% | -3.0% | 0.0% | 43.0% |

| 2021 Gender Pay Gap by Quartile | | | | |
|---------------------------------|--------|------|-------|-------|
| | Q1 | Q2 | Q3 | Q4 |
| Mean GPG | 2.0% | 0.0% | -1.0% | 38.0% |
| Median GPG | -31.0% | 0.0% | 0.0% | 12.0% |

A closer look into the GPG in 2020 and 2021 by male and female within quartiles one - three show actual differences by gender are much smaller than the overall GPG median figures above and well below the national median average of 15.5% (Office for National Statistics GPG report 2020).

GPG on Bonus

Incentive schemes for our field population vary by role. Key Holders (Quarter four only), 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 roleⁱ with 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 with no room for manager's discretion.

| Bonus Gender Pay Gap - 2020 & 2021 | | |
|------------------------------------|-------|-------|
| | 2020 | 2021 |
| Mean GPG | 71.6% | 97.3% |
| Median GPG | 79.2% | 42.2% |

| Males & Females Receiving Bonus 2020 & 2021 | | |
|---|-------|-------|
| | 2020 | 2021 |
| Males receiving bonus | 82.0% | 86.0% |
| Females receiving bonus | 73.0% | 70.0% |

Claire's On-going Commitment to the reduction of its GPG

Global Compensation & Benefits Framework

Claire's are currently in the final stages of preparing to launch its first global Reward & Career path framework that will bring consistency to all Claire's compensation policies, processes and subsequent decisions. An accompanying Total Reward Philosophy will underpin the framework with diversity, equity & inclusion (DE&I) as a key factor. The framework will grade all roles based on the role's accountability, scope and impact, not individual performance. Roles will be paid according to consistent market benchmarking and salary ranges.

DE&I Employee Resource Groups (ERGs)

Claire's is soon to launch global ERGs that will play an important role in supporting our DE&I initiatives. ERGs will bring together employees who share common interests in building communities, creating allyship, enhancing professional development and networking. Each ERG will be sponsored by executive leadership team (ELT) members and will offer tremendous value to Claire's employees through the connection and empowerment of shared interests.

One of the four employee ERG's '**Women & Girl Power**' will support opportunity and equality for women and girls at work and in our communities.

In 2020, Claire's also introduced the inclusion, diversity, equity, awareness (IDEA) council, which is a global employee leadership group that meets on a regular basis to discuss diversity and inclusion topics and make recommendations about how Claire's can continue to strengthen its practices as a more inclusive employer.

Flexible / Family Friendly Policies

Claire's supports flexible working schedules to support the needs of both the employee and the business. As part of the focus on gender pay, we promote and monitor our family friendly and flexible working policies to all employees. These policies are visible to all employees on a self-service portal along with policies including, supporting parental leave and flexible schedules and locations.

Paul Gilliam

Vice President HR - Europe

ⁱ Sales Assistants are not eligible for bonus payments except in the event they are 'buddies' in the context of our concessions programme.