



Hamleys Gender Pay Statement

At Hamleys we are proud to have created an environment where life at work is enjoyable and fun and we remain committed to our founder William Hamleys' vision and tenacity. Our retail, warehouse and support centre teams work tirelessly to deliver the 'Hamleys Magic' and we are proud of our diverse and inclusive culture.

Women make up 53% of our workforce, down 1% from the previous year, with 54% of our retail employees being female and 52% of our Support Centre being female, down 4% on the prior year. Women currently make up 50% of our senior executive team, which is an 8% increase since 2017 and evidence of the commitment we made last year to improve female representation at senior levels.

In this report we are providing information on our gender pay gap for our UK business and for the reporting year 2017-2018 Hamleys' median gender pay gap of 12.3% is significantly lower than the national average of 18.4% (ONS, 2017).

We are committed to reducing this gap further at Hamleys and we continue to develop initiatives in our business which have equality of opportunity at the heart of their design.

These include a pledge to our staff to: -

- ensure a diverse gender mix for all mid management roles up to executive level at the initial stages of any recruitment drives.
- recognise as part of wider succession planning the need to ensure there are no barriers to women or men approaching the upper quartile in terms of contract type or flexibility.
- continue to improve flexible working arrangements at Hamleys reducing barriers for employees to progress to the upper quartiles.
- work with parents returning from maternity, paternity, parental or adoption leave to ensure clear career discussions are held at the point of return

I remain committed to continuing to drive these initiatives and to ensure that the issue of gender pay and equality of opportunity for all of our employees remains a priority on the Board agenda.



Yong Shen
CEO



Gender Pay Gap - What does it mean for Hamleys?

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires Hamleys as an employer with more than 250 staff to undertake Gender Pay Reporting and publish the findings by 4th April 2019. We are providing combined gender pay data for all employees in our legal entities (which include our Support Centre, Stores & Warehouse) across the UK.

In measuring our gender pay gap, this can help us to assess the levels of gender equality in the business and show the difference in average pay between men and women. The gender pay gap differs to equal pay which is unlawful. Hamleys is an equal pay employer and we do not engage in any practices that breach equal pay legislation. In this report we are sharing the mean and median pay gaps between men and women's hourly pay and bonuses.

In calculating our numbers we have applied the following definitions as part of our analysis:-

- Mean gender pay gap - The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
- Median gender pay gap- The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
- Median bonus gap-The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees
- Mean bonus gap- The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees
- Bonus Proportions- The proportions of male and female relevant employees who were paid bonus pay during the relevant period
- Quartile Pay Bands- The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands

(CIPD, Gender Pay Reporting, 2017)

What do the Hamleys Figures Look Like?

At the point of reporting Hamleys employed 512 staff, with 243 (47%) of those being male, 22 lower than last year, and 269 (53%) being female, 44 fewer than last year. The below figures are based on this data.

Hamleys mean gender pay gap is 15.3%. This represents the difference between the average salaries of men and women across our business.

Hamleys median gender pay gap is 12.3%. This represents the midpoint between our highest paid employees and our lowest paid employees.

Bonus Payments at Hamleys

The proportion of men at Hamleys who received a bonus in the 12 months up to 5 April 2018 was 32% while for women this was 31%. There were no bonus payments made in the Support Centre or Warehouse during the reference period. Support Centre & Warehouse bonuses only pay out when the Company Profit After Tax target is hit. We do acknowledge that this will have impacted our figures for the forthcoming year as our Board of 2 statutory directors (at the point of reporting) are male. We do however have two non-statutory directors, one of whom is Female. In designing the scheme for 2019, whilst we must respect the purpose of the scheme for senior executives, we continue to develop such mechanisms that reward equitably at each grade.



The bonuses in the reference period were all paid at store level and represent a 0% gender pay gap on median bonus payments due to the stores all being part of the same bonus scheme. The mean gap is -30.63% which is reflected of the majority of our senior retail managers being female.

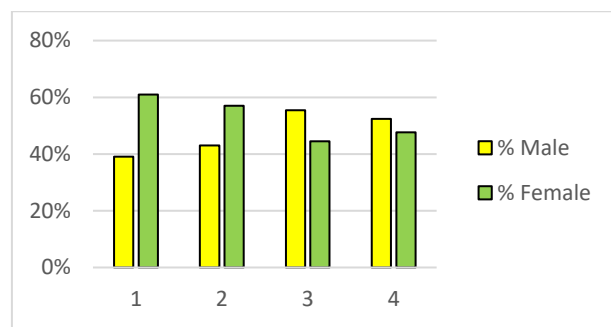
What does our pay gap show us?

The analysis of gender pay gaps by pay distribution quartiles helps us to focus our analysis.

1. Number of men and women per quartile pay band



2. Percentage of men and women in each quartile as a percentage of each gender population



Hamleys employs more women which is typical of the sector but the ratio of female to male employees is less common for the sector. The proportion of earnings split is relatively even across the lower and lower middle quartiles, which includes the majority of our part time employees who work across the retail base. There is a spike in the upper middle quartile showing that the proportion of the male workforce earnings is higher (55%) than the proportion of the male workforce earnings in the upper middle quartile (52%). This quartile predominately includes our Support Centre workforce of which we have a balanced number of male and female middle managers. We have 5 females on our senior executive team out of a team of 10. It is noted that the Board consisted of 2 male members during the reference period.

Hamleys Gender Pay Action Plan

In posting our results we recognise the need to continue to ensure when creating and reviewing policy and procedure and reward and compensation programmes, that these do not pose any potential barriers to both men and women. We will continue to use our annual engagement survey and existing forums to listen to our teams and reduce this gap further.

Over the next 12 months we will work to embed the areas outlined in our pledge and progress on reducing our gender pay gap will be discussed at Board level.