

Ann Summers

Gender Pay Gap - Report 2017



Ann Summers is a business run by women for women. First of all, I think it is important to state that I am immensely proud of every single one of our colleagues, and as a business, we take great pride in always recruiting the best person for the job regardless of their gender.

The introduction of the gender pay gap reporting, has enabled us to reflect over what our numbers really mean and encourage ongoing meaningful

conversations around our inclusivity and equality as a business. However, after 37 years at the helm of Ann Summers, I believe there is still no other business comparable to us on the High Street and I know the amazing women we have in our business, just do not face the same barriers that the gender pay gap report was brought in to highlight.

Therefore, whilst I am supportive of the public reporting of this information, I would like to see the regulations and reporting improved in the future to allow businesses like ours to be fairly represented. We may be in the minority, but we believe we are the industry leader in gender equality and should have the opportunity to demonstrate this more effectively.

Why the figures don't tell the whole story:

- Our customers need female store assistants to give bra fits
- Our legitimate female-bias structure unfairly skews the figures towards men
- 130 out of 131 stores are managed by women
- Of all colleagues promoted last year, 80% were women
- In our business, women head up traditional male roles such as; Finance, Property, Wholesale, Merchandising, E-commerce, Retail Operations & Logistics
- 65% of our Senior Leadership Team and 70% of our Board are women
- Our top 3 highest paid colleagues are women

As we look forward, I would like to see a broader focus on other changes that will make a difference. For me, that is not just about encouraging women into more 'traditionally male' roles but for true equality and diversity, encouraging men into equally 'traditionally female' roles. Furthermore, we should support more men in taking up their right to shared parental leave, to not only help change pre-conceived stereotyping, but to also allow more women to remain in the pipeline. The reality is, equality is no longer a female issue, it is an everyone issue!

Ann Summers has always been a unique brand with female empowerment at the core of everything we do, and I am sure that our gender pay report will demonstrate just how unique our business model remains, as we continue to be a truly female-led organisation.

Jacqueline Gold

Jacqueline Gold
CEO - Ann Summers Ltd

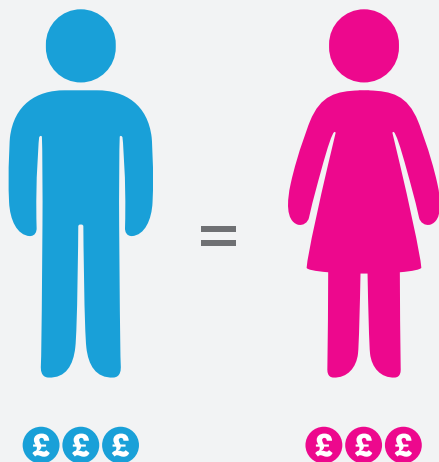
What is the Gender Pay Gap?

As part of the Government's commitment to tackling gender inequality, the gender pay gap report has been introduced for businesses with over 250 employees, to highlight the percentage difference between average hourly earnings for men and women.

It is different to equal pay, which deals with the pay differences between men and women who carry out the same or similar job.

EQUAL PAY

is when men and women are paid the same amount for doing the same or similar job



THE GENDER PAY GAP

is the difference between the gross hourly earnings for all men & all women, regardless of the job they do



One of the main reasons for the gender pay gap is that men are more likely to be in senior roles

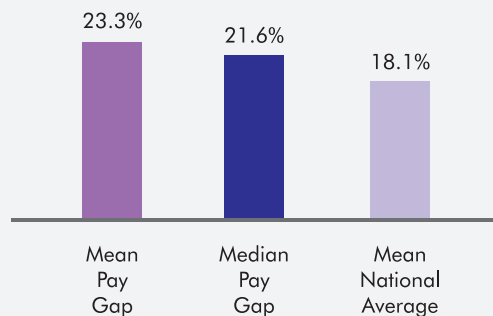
Our Results Explained

The reality of our figures is that, as an essentially women's lingerie and sex toy retailer, our customers require a female-sensitive service, particularly for bra fits. Understandably, we therefore attract a large number of women who want to work with us and for those few men that we do employ in store, their duties are restricted.

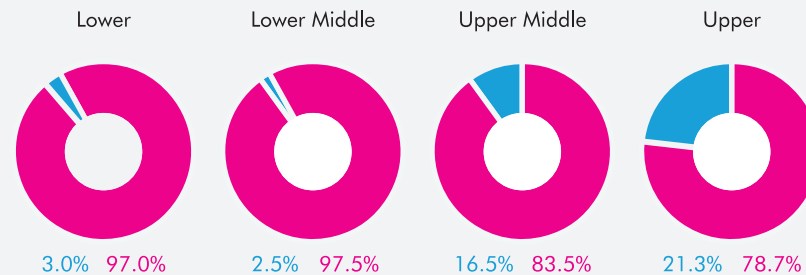
To put that into context, on 5 April 2017 we employed 1166 women and 122 men. Of those 1166 women, most work in our retail stores (where the hourly rate is generally lower than at head office) and 65% of those in store are on part-time contracts. Unlike larger retailers, we have small store footprints so require more part-time roles to cover our busy periods.

As a result of the sheer number of women we employ in store, our gender pay gap figures appear unfairly skewed towards men.

MEAN / MEDIAN FIGURES



PAY QUARTILES



Proportion of female and male employees in each pay band quartile

BONUS PAY

19.4% of men and 24.1% of women received bonus pay



Bonus pay difference between men and women
MEAN: 33.8% | MEDIAN: 52.4%

What It's Really Like at Ann Summers

When we look behind how the numbers are worked out to comply with the regulations, it is clearly evident that we are a business with female equality and success entrenched into our very core.

ANN SUMMERS FACTS



130 out of 131 stores are managed by women



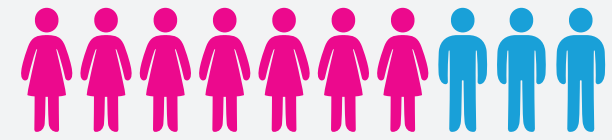
Women head up traditional male roles in Finance, Property, Wholesale, Merchandising, E-commerce, Retail Operations & Logistics



60% of our Executive Directors are female



Our top 3 highest paid colleagues are women



70% of our Board are female



80% of all colleagues promoted last year were women



We also have over 4,500 self-employed female entrepreneurs in our party plan business



65% of our Senior Leadership Team are female

What It's Really Like at Ann Summers

In addition, when you look at our gender pay gap grade-by-grade, you will see that Retail is the only area of the business with a gender pay gap, and at only 3.6%.

It is only when it is calculated with the rest of the business, that the figure is elevated to 23.3%.

GRADE	MEAN	MEDIAN
Executive Directors	-158%*	-159%*
Board Directors	-53%*	-65%*
Senior Leadership Team	-39%*	-47%*
Head Office	-25%*	-32%*
Warehouse	-2%*	0
Retail	3.6%	0

*a minus % equals a gender pay gap in favour of women

Inspirational International Women's Day Event at our Head Office



What We Already Do

We have always been fully committed to supporting both women and men equally, to fulfil their potential and grow their careers at Ann Summers. Here are some of the ways we do this already:

1 Retail Leadership Programme

We currently have 160 people on our retail career path programme, which gives specific training, support and a clear pathway to growing your career with us - 98% of these colleagues are women.



2 Colleague Development

We have a dedicated e-learning platform that supports our colleagues across all channels throughout their career with us from induction through to self-development of skills, as their career progresses. This is supported by Express Development Sessions at Head Office where colleagues can put skills into practice encouraging and supporting continuous professional development.

3 Coaching Programme

We have a dedicated coaching programme and in the past year have coached over 20 Head Office colleagues through a selected talent programme. Of those 20, 80% are women.

What We Already Do

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Flexible Working Programme

We offer a combination of part-time, compressed hours, staggered hours, work from home days and annualised contracts to our colleagues.

We appreciate that for a lot of our retail colleagues, they choose to work for Ann Summers because of the flexibility we offer. At our Head Office, we understand that work is something you do, not somewhere you go, so we go the extra-mile to ensure we respond and adapt to our individual colleagues needs.

6

Dedicated Team Time

We empower our people through dedicated team time. We understand that teams working flexibly and at pace can feel disparate from each other. We therefore launched Team Time Wednesday which dedicates 3 hours each week to our individual teams. This is a chance to get together, share ideas, discuss challenges/opportunities, as well as giving managers dedicated time to focus on their teams and their development.

5

Maternity/Paternity Leave

We recognise the amazing female talent we have within our business and when women go on maternity leave, we look to find ways to support them and remove the barriers should they want to return to work.

We treat everyone as individuals and therefore, this manifests itself in different ways, for example; coaching, mentoring, training & development, meaningful keeping-in-touch days, flexible working and often simply understanding and supporting each colleague through the challenges of being a working-parent.

We want all colleagues to feel equal and our policy is to support both mums and dads.

7

Masterclasses

We are actively pursuing opportunities to lead the conversation around female equality. Our most recent example was holding an all-female panel event for colleagues around International Women's Day, and this is the first of many more to come to help our colleagues learn from the best.

What We Would Have to Do to Close Our Gap

For Ann Summers to address our pay gap we would have to:

1 Employ significantly more men in our stores.

We do not believe this would be a viable consideration for our business, as clearly, it would be inappropriate for men to undertake bra fits on women.

We love the men who work for us in store, but our customers tell us they feel more comfortable buying lingerie from women.



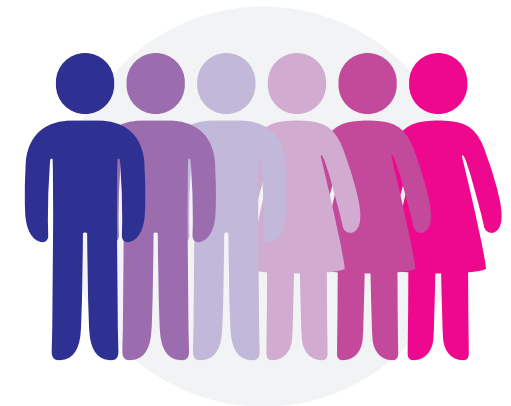
3 Reduce the number of men at our Head Office.

This is not only discriminating against men but would also prevent us from recruiting the best person for the job. This goes against everything we stand for, as an employer who strives for equality.



2 Reduce the number of part-time roles in our stores.

This would mean we would not be able to cover busy trading periods, nor would we be able to effectively support flexible-working.



Our Commitment

One of our six strategic pillars is to attract, retain and develop the best people. This sits at the heart of every conversation we have around strategy, as we believe our people make the difference to the success of our business.

For us to lead the conversation around gender equality, we will continue to:

A

Always hire the best person for the job, regardless of gender. We employ smart, passionate people in an environment that nurtures, values and recognises the goals and aspirations of talented individuals, through our established coaching and training programmes.

N

No one is as passionate and committed as we are, to removing the barriers that enable female-talent to balance their family life with their career ambitions, as well as supporting fathers in our business with their own work/life balance challenges. As a result, we are constantly looking for creative ways to be industry-leading in this area, for a company of our size.

N

Never assume the job is done. We do not have a gender issue here at Ann Summers, however, we know there is always more we can do and so we will continue to find innovative ways to be best-in-class, whether that be for our customers or our colleagues, whilst at the same time, championing change outside of our own business.

Useful Information & Resources

Find out more about the gender pay gap:
acas.org.uk/index.aspx?articleid=5768

To find out more about the business:
annsummers.com
careers.annsummers.com

