

Gender pay gap

MARCH 2019



Foreword

At Card Factory, our mission is to be trusted for quality and value to help celebrate everyone's life moments. We believe that our company success is driven by our colleagues who have and continue to work hard to make the business a success. We value diversity and inclusion, and are committed to ensuring that each colleague and prospective employee has equality of opportunity.

In this report, we provide our second year of gender pay gap information from the pay period that includes April 5th 2018 (the snapshot date) in line with requirements. Calculations are on a like for like basis to the revised figures of 2017, and is based on average hourly pay rate comparisons, and includes data that covers all Card Factory colleagues within the UK (including Northern Ireland) who are employed by Sportsworld Ltd.

Our data has been calculated according to the requirements of the Equality Act 2010.



Karen

Karen Hubbard, CEO



Lucy Crowther

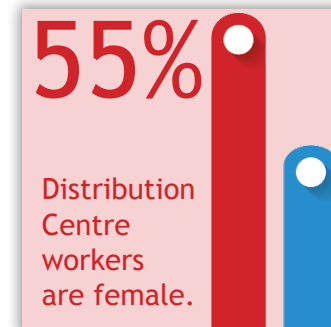
Lucy Crowther, Group HR Director

We are confident our approach to pay is gender neutral by design. Our data indicates that median pay is -0.7% in favour of females, whilst average pay is 12.3% higher for men than women. This difference is still driven by the structure of our workforce, and the fact that we have more men than women in senior manager roles.




At the time of publishing, we are pleased to confirm that our Executive Board is 42.1% female representation which is up year on year. We have also seen a reduction in the bonus differential for the same reason.

We are proud of our progress in striving to achieve greater diversity, and of the many inspirational women and men we have working for us. Bearing that in mind we will continue to identify ways in which we can support and develop women who want to progress within the company.

Fast facts



Measuring the pay gap

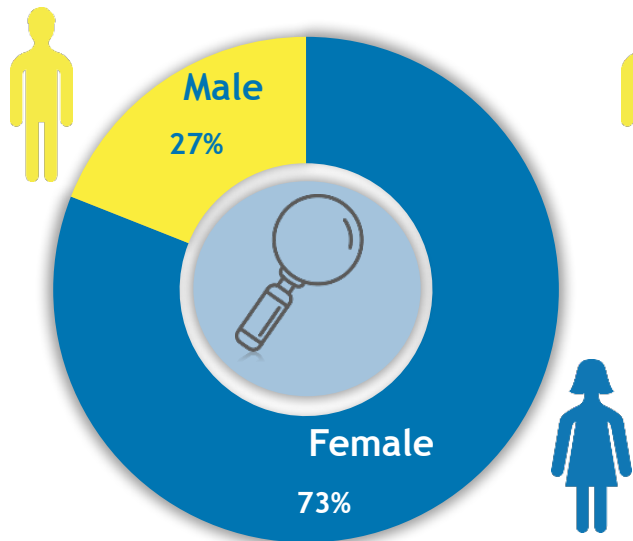
Mean - national average	17.9%	
Mean - Card Factory	12.3%	
Median - Card Factory	-0.7%	

At first glance our gender pay gap figures suggest that on average men are paid more per hour at Card Factory than women, which does not truly reflect the position. Our hourly paid colleagues are paid the same regardless of gender and we believe our approach to pay generally is gender neutral by design. The pay gap is driven by a greater proportion of males in senior roles.

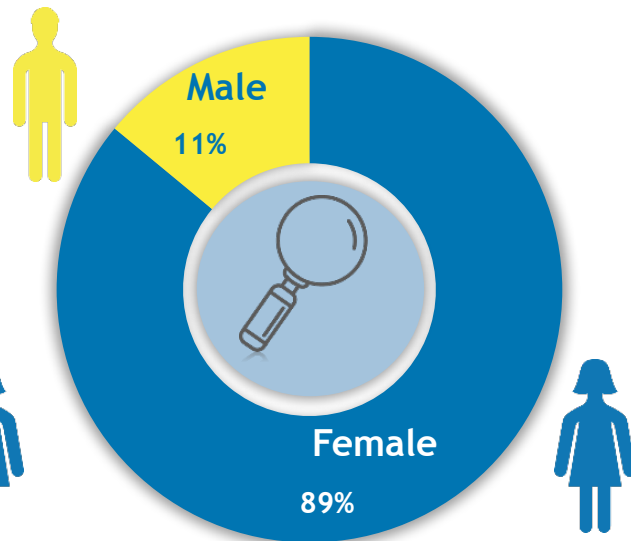
Our statistics reflect the number of female workers that make up our retail job family. In retail 84% of our colleagues are female, whilst in other areas of the business (where colleagues are typically paid a higher salary) we have a more even gender balance.

Gender demographics per quartile

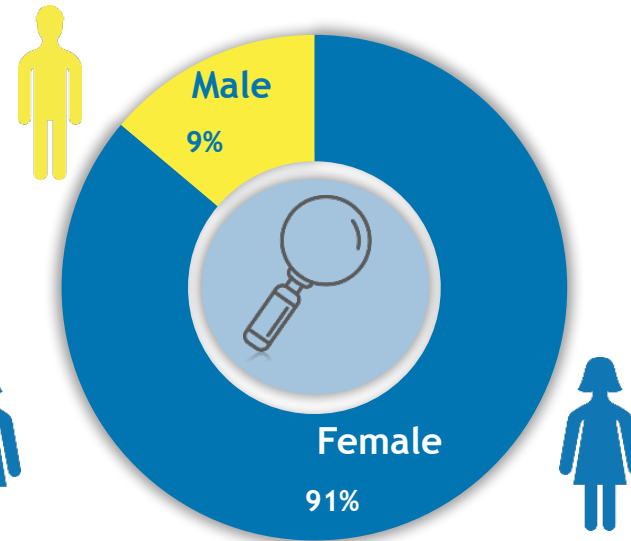
Lower quartile



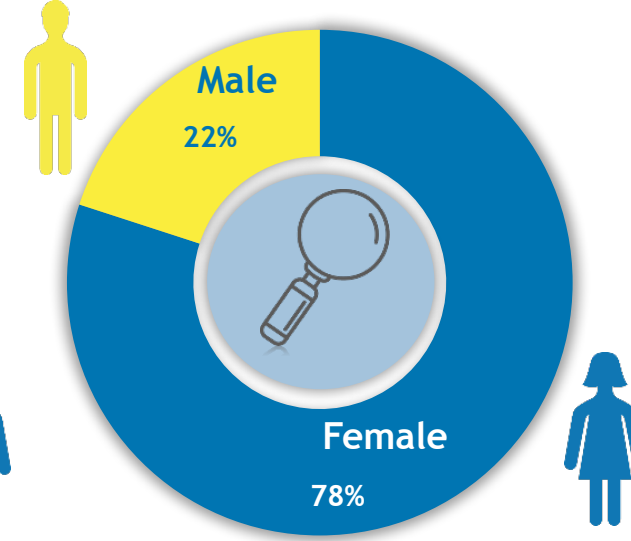
Lower middle quartile



Upper middle quartile



Upper quartile



Understanding the pay gap

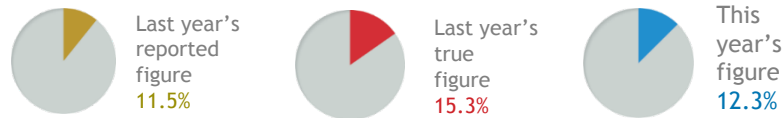
Our mean gender pay gap is lower than the national figure reported by the Office for National Statistics, however, we are by no means complacent and are committed to taking action to achieve greater balance and diversity. We are confident that through the appointment of new executives, some of which happen to be female, and improving the support we give our existing talent within our organisation we can further reduce this pay gap over the coming years.

The bonus gap, although still significant, has decreased year on year, this difference is also driven by a greater proportion of males in senior roles, which is where the higher bonuses are attracted. We expect to see a further decrease in next years figure, as the 2018 figure includes attraction bonus for senior leadership talent.

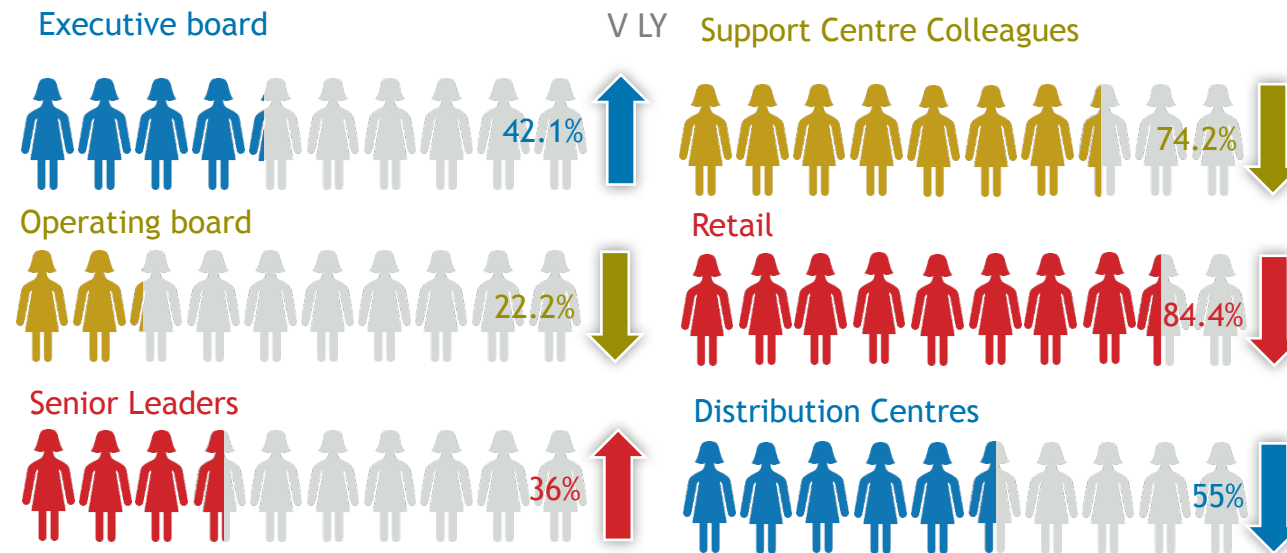
Difference between men & women	Mean Average	Median Middle
Gender pay gap	12.3%	-0.7%
Gender bonus gap	79.5%	0.0%

Year on year note:

Whilst undertaking analysis we were surprised that despite all the data indicating we had moved forward and the fact that we have taken positive steps to close the gender pay gap, the figure was showing as the opposite, this prompted us to review our previous year figures, where like a number of other companies we identified errors in the calculations. The pay gap we reported last year was under the true figure, however the true figure highlights the fact that we have moved forward and have decreased the Gender Pay gap and the Gender Bonus gap. The bonus data was reported accurately.



We are consciously aware that the top three bands within our job families are the three areas where women are still less represented, however there has been an increase in female leaders recruited or promoted into senior positions year on year which is positive and encouraging that the steps we are taking are moving us in the right direction.



Looking forward

We are proud of where we are as a business but don't take our current position for granted. We continue to celebrate our amazing colleagues through development programmes, recognition and a commitment to growing our next generation of leaders. We are challenging our leaders to ensure balanced short lists for roles and are looking at our policies and working practices to ensure we can better support our colleagues' life stages. This year we have implemented a Human Resources Information System which will allow us to capture and report more accurately, information about our workforce.

Other initiatives to achieve greater equality and diversity include:

- Continuing to support female talent within the business to ensure they have the relevant skills and opportunities to progress into senior roles where females remain under represented
- On an ongoing basis we will be evaluating the effectiveness of our new bonus structure, and the impact on our bonus pay gap.
- Supporting and attending women in retail events especially with our junior female talent to network with senior women in the industry
- Throughout our leadership development programmes we will ensure that bias is discussed and where appropriate further coaching is used to eliminate it.

Declaration

We confirm that the information and data is accurate and in line with mandatory requirements.

