

UK Gender Pay Gap Report 2021



SWAROVSKI

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FOREWORD



At Swarovski, we are committed to supporting gender equality and ensuring greater parity in our people and business decisions.

As you will see from the results in this report, we remunerate and reward our people based on performance and contribution. We have global schemes and guidelines in place to ensure all our employees are offered remuneration that is competitive, fair and equal.

We endeavour to be transparent with employees about pay and we have worked hard to ensure decisions are made based on talent and role performance.
In this report we present our 2020 results.

We recognise that there is work to do to narrow the gap and we remain fully committed to ensuring gender parity across our business.

A handwritten signature in black ink, appearing to read 'Hayley Quinn'.

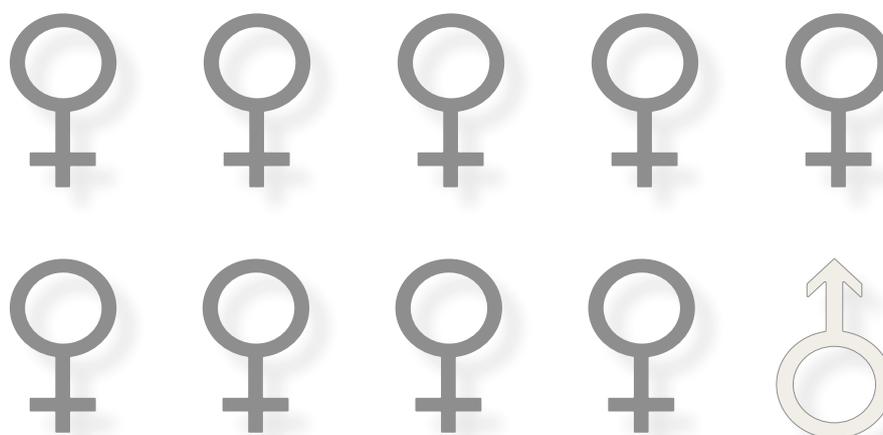
HAYLEY QUINN

Managing Director of the Swarovski Crystal Business
UK, Ireland and Nordics

THE STATISTICS

ORGANISATIONAL STRUCTURE

Our report is based on employee data from the snapshot date of April 5, 2020 and relates to 752 of our Swarovski employees based in the United Kingdom. In the reporting of hourly pay gap statistics, 752 employees were calculated as relevant full-pay staff. As shown below, on the snapshot date, 87% of our total workforce were female.



Unlike many retail-based organisations, our workforce comprises a wide range of business units including Swarovski Optik, The Swarovski Foundation as well as retail and support functions such as human resources, legal and finance. Our employees are based in 68 retail stores and two head offices nationwide.

GENDER PAY GAP AND BONUS GAP

Swarovski UK

Mean gap: 29.8%	Median gap: 29.8%
Mean bonus gap: 50.1%	Median bonus gap: 38.9%

Office for National Statistics data for Retail and Wholesale industry

Mean gap: 13.7%	Median gap: 13.6%
Mean bonus gap: 68.1%	Median bonus gap: 68.9%

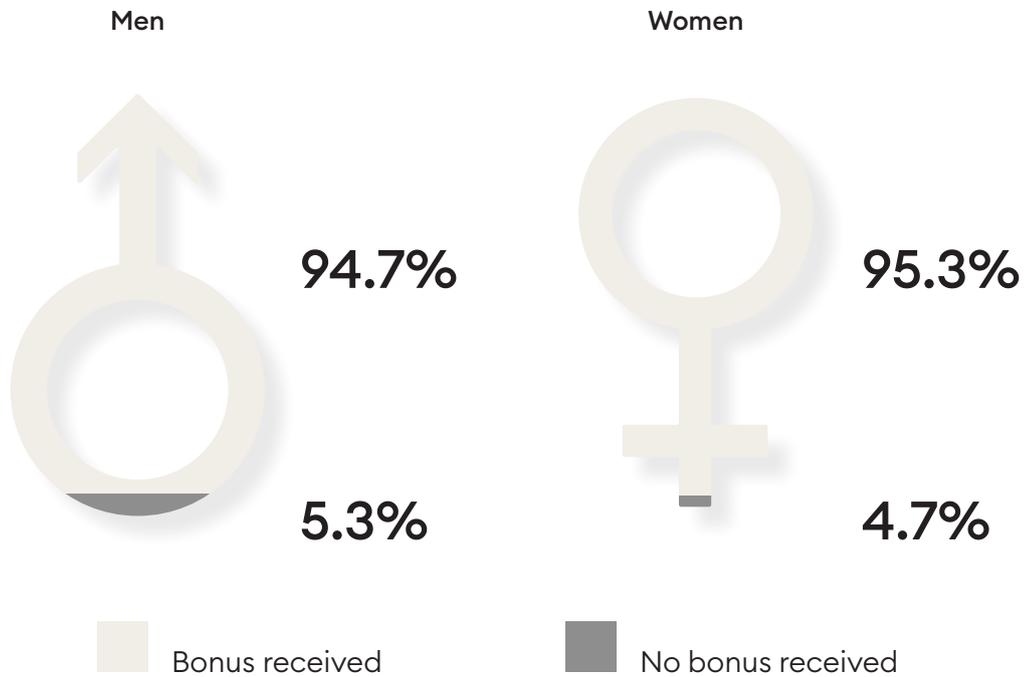
*The Office for National Statistics provides comparative data submitted by organisations in the same industry

**The median pay gap is the difference between the midpoints in the ranges of hourly rates of men and women and the mean pay gap is the difference between the average hourly rates of men and women.

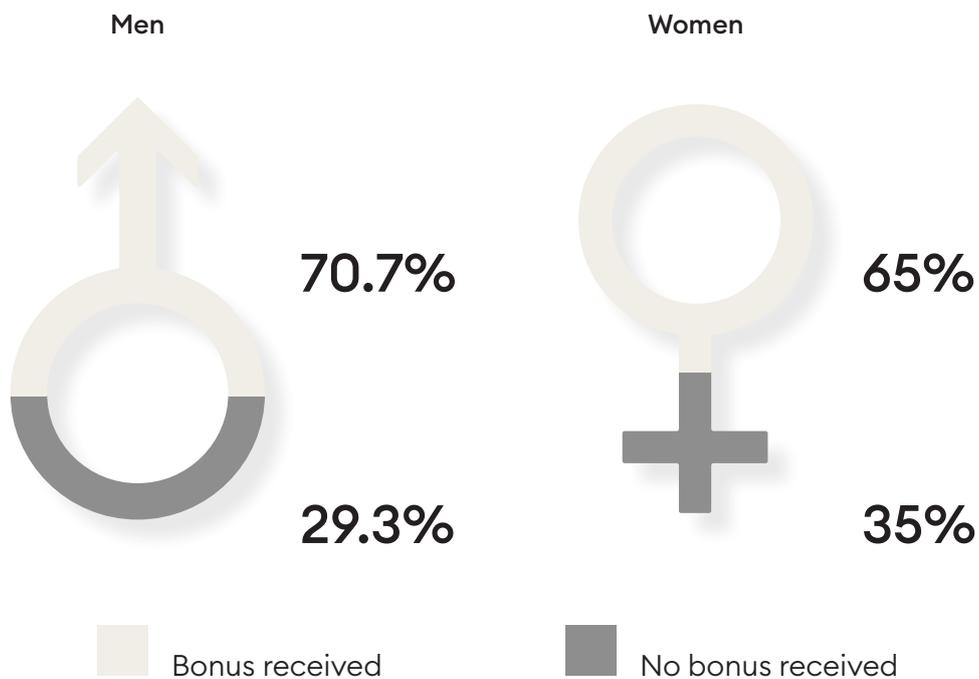
At Swarovski, we are proud that we attract a high level of female talent, which reflects our customer base and the wider jewellery industry. We have a large number of women working in retail stores and a relatively small number of men across all business units. Whilst we understand that the flexibility of retail is attractive to many women, it heavily influences our headline numbers. Our UK business operations cover both part-time and full-time positions in both retail and corporate offices, the latter of which have a more diverse gender mix when compared with retail.

PROPORTION OF EMPLOYEES RECEIVING A BONUS

Based on 2020 bonus payments
Swarovski UK

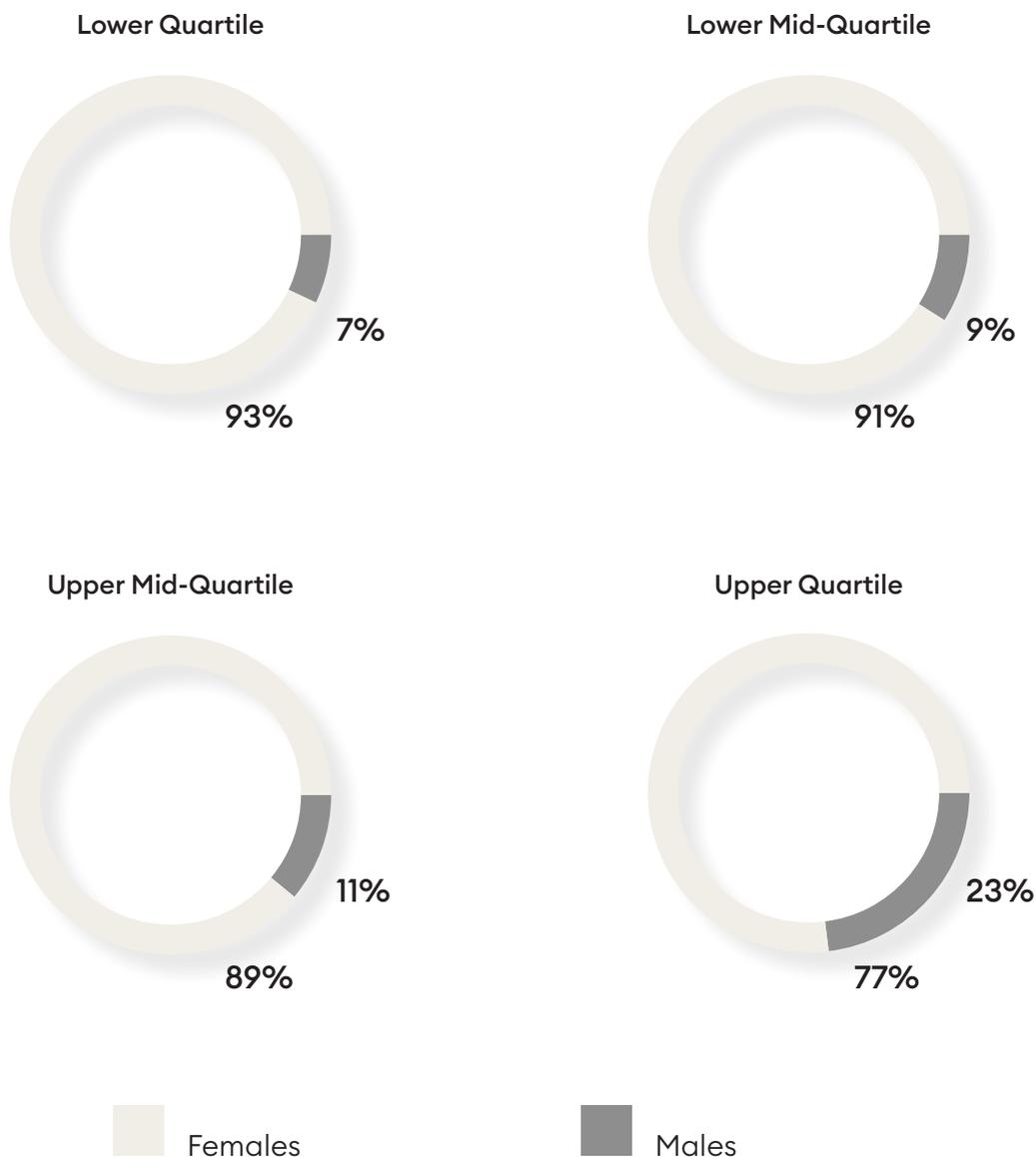


Government data ***



***Benchmark data can be found at <https://gender-pay-gap.service.gov.uk>

PAY QUARTILES AND HOW WE COMPARE TO THE INDUSTRY STANDARD



From our last report, we have a slight increase in male representation in the upper quartile this year compared to the last reported year. This is a result of business development within Head Office roles leading to recruitment and promotion opportunities that placed a higher proportion of men in the higher pay quartiles in comparison to the lower pay quartiles that are primarily part-time sales roles. A further contribution to this year's gender pay gap is that we have a smaller representation of males in the lower and middle pay quartiles.

CONTINUING WITH PROGRESS

Equality, Diversity, and Inclusion are at the heart of who we are. Our employees and customers are hugely diverse, and we are proud to embrace diversity within our business practices. We strive to create a work environment where people feel respected, valued and where they are free to be themselves. We remain committed to attracting and retaining the very best talent and ensuring that gender is never a factor in making people decisions, including pay.

OUR CONTINUED COMMITMENT

Our brand has a largely female customer base and workforce which makes us perfectly placed to champion greater gender equality. Through our HR processes, we continue to encourage gender balance throughout our organisation.

- We encourage career progression for all employees and promote a healthy work-life balance including flexible working, where possible. In 2021, we introduced our hybrid working benefit at our head office to further support our employees.
- We champion and enable mentoring and leadership programmes to create a more diverse and inclusive leadership, enabling our people to reach their full potential.
- We have made a public commitment to reduce bias in our recruitment by implementing innovative recruitment practices including AI technology and gamification, and we are aiming for bias-free high-volume recruitment by 2024.
- For recruitment, succession planning and talent review processes, Swarovski has issued an 'Interrupt Bias' guide to facilitate bias free people processes for all managers. As part of our International Women's Day program we also created a 'How to Discuss Bias' guide available to the entire workforce.
- During 2018-2020, we partnered with neuroscience pioneers, the NeuroLeadership Institute to provide a four-week online learning program called 'Breaking Bias' to help employees understand unconscious bias, and we aim to offer wider unconscious bias training to all our retail and office employees in late 2021.

- We have analysed our promotion data, and whilst we are proud that our female colleagues participate in regular promotion opportunities, it has come to light that that male employees may be promoted more quickly at higher levels. Following this analysis, we have begun reviewing our HR processes, and are currently addressing the trend with our senior leaders.
- As members of the UNGC we adhere to and respect the subsequent Ten Principles of the UN Global Compact and report on our commitment and progress to these principles annually. We remain committed to upholding Principle 6 whereby businesses commit to the elimination of discrimination in respect of employment and occupation.

Beyond our UK business operations, the Swarovski Foundation aims to support women around the world through education, entrepreneurship and healthcare projects which ensure access to job markets and support independent decision-making. These philanthropic initiatives have included support for charities such as NEST, Mothers2Mothers and Women for Women International, all of which champion equality and empowerment through their programmes.

