



UK 2017 GENDER PAY GAP REPORT

Hasbro's gender pay gap as at 5 April 2017:

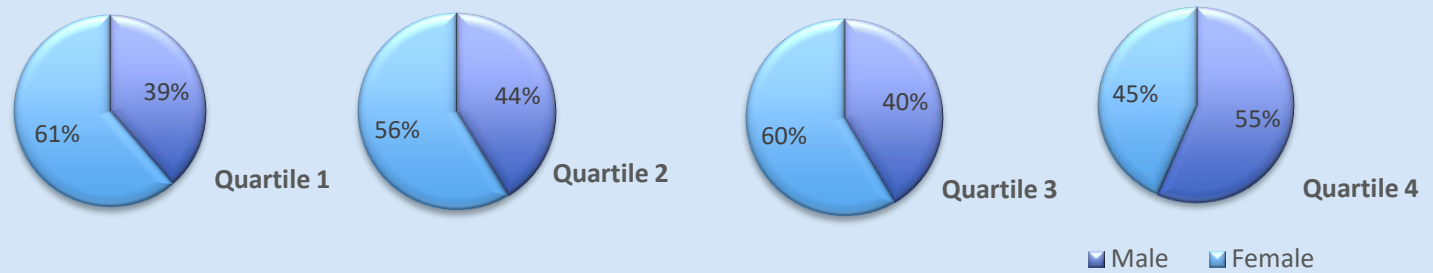
Gender Pay Gap	Difference in Mean pay between Male and Female employees	16.70%
	Difference in Median pay between Male and Female employees	11.11%

The table above is a snapshot of the difference in the average hourly pay between males and female employees across all levels of the UK organisation. The hourly pay figure used to calculate the difference includes all items specified in the regulations, such as Car, Fuel, Shift allowances and bonuses paid in the April pay period. For comparison, Hasbro's gender pay gap of 16.7% is below the UK's national gender pay gap of 19.2% (Source: Office for National Statistics, Feb 2016).

The charts below illustrate the gender distribution across Hasbro UK by dividing male and female employees into four equally sized quartiles based on hourly pay and each containing approx. 93 employees. We are confident that Male and Female employees are paid almost equally across all the quartiles.

Proportion of Males and Females in each Quartile

As at 5 April 2017



The overall pay gap analysis shows a female positive pay gap for our internal job level 5 and below, where women represent 43% of Hasbro UK employees. Women are less well represented in quartile 4. Although the pay gap is prevalent across senior management any pay differences are a result of factors unrelated to gender, such as;

- Job roles & responsibilities within a grade – we looked at a sample of senior roles and identified that although they were in the same job level their jobs were marked differently in scale and responsibility.
- Market forces – we have some key roles which are unique and command a market premium.
- Scope & Geography - many of the senior roles are part of a Global/EMEA structure and not primarily dedicated to the UK

Bonus Pay Gap	Difference in Mean bonus pay between Male and Female employees	69.25%
	Difference in Median bonus pay between Male and Female employees	46.31%

From the Analysis, we can see that the current mean bonus Gap is 69.25%. This gap exists for this period due partly to more male than female employees exercising Stock Options in the period. If Long Term Incentive payments (which include Stock Options) are excluded, the mean bonus gap is approximately 41%. Similar to base pay, we see a greater bonus gap because we have fewer women in senior positions where higher bonuses and LTI are paid. Furthermore, as our bonuses are based on earned income, women on maternity leave will earn less than their normal salary, resulting in lower bonus payment. All these points have had a significant impact on our bonus pay gap.

For comparison, a study by the Chartered Management Institute (CMI), based on XpertHR survey data (2015) the average man's bonus is 49% more than a woman's and in senior roles, the gap is even more pronounced with men earning an average bonus of 40% more than women.



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Proportion of Male and Female employees who received bonus pay



90%

of all Male employees received a bonus



87%

of all female employees received a bonus

All employees at Hasbro are eligible for a performance bonus, which is based on earned income for the year. Men and women are equally entitled to participate in our bonus plans. The small gap between the number of men receiving bonus and the number of women was due to the eligibility rules for the Bonus Scheme. Our eligibility rules preclude anyone starting after 1st October of each calendar year from participating in bonus for that year. In the year in question, a higher proportion of women joined the company after the bonus eligibility date than men.

At Hasbro we are confident that our Male and Female employees are paid equally for doing equivalent jobs across the business.

We will continue to take action to address any gaps and to make sure our policies and procedures are fair for all employees.

Kim Bolton

HR Director, UK