

# Fair gender pay. Made at Welcome Break

In 2017, the UK Government introduced a requirement for all companies with 250 or more employees, to publish their gender pay gap. Whilst this was a huge step forward for equality and pay transparency, there is still some work to do.

Welcome Break are committed to delivering an employee experience that defines our culture and values. The approach we take is to treat all our employees in a fair, open and honest way.

We're a different kind of business, operating multiple brands, with a diverse and inclusive culture. We want to ensure that everyone at Welcome Break, regardless of their age, gender, background, race or ethnicity, has an equal opportunity to develop, progress and thrive within our organisation.

Our desire is to create a company and culture that attracts and retains the best people in our industry. We also want to reflect the communities that we are part of. As such, we strive to achieve a balance of male and female employees across our different grades and business functions.



**John Diviney**  
CEO, Welcome Break



# Understanding Welcome Break's gender pay gap

The mean gender pay gap at Welcome Break is 7.6%, a slight improvement on the 2017 figure, which is still significantly lower than the UK average of 18.1% and is proportionate to our industry.

Whilst we are pleased to have made an improvement, we have used this information to further understand the make-up of our Teams and address different groups of job roles. This year, we have seen our headcount rise by 180 people (3.65%) from 4,932 to 5,112 Team Members – our female headcount has increased by 33 (1.25%) and our male headcount by 147 (6.43%).

**Number of employees: 5,112**



**2,434 = 47.6%**



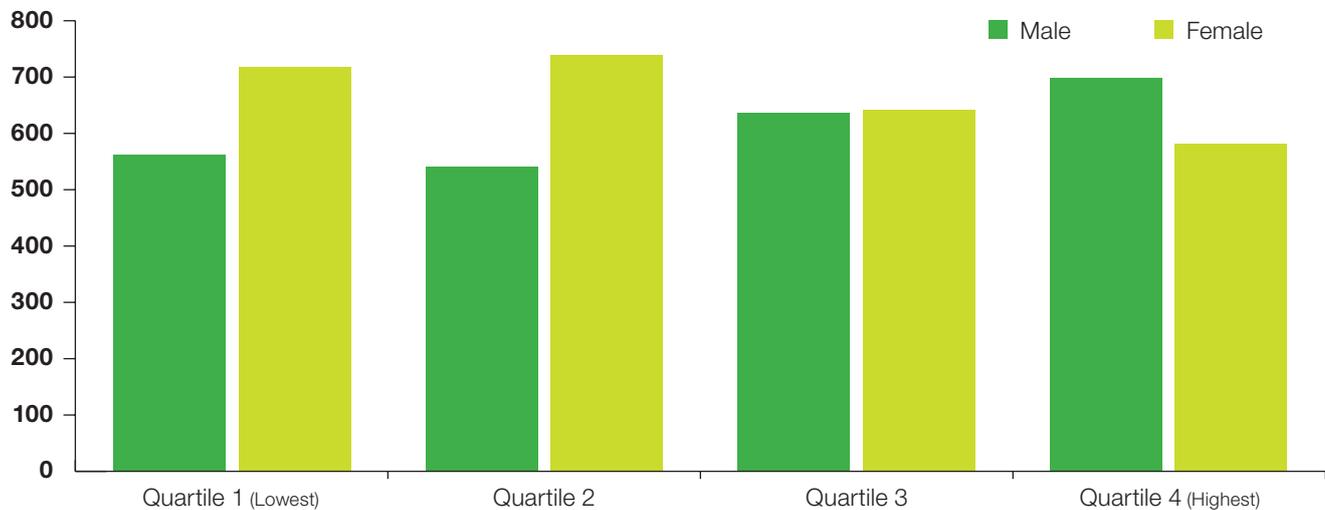
**2,678 = 52.4%**

## The difference between males and females

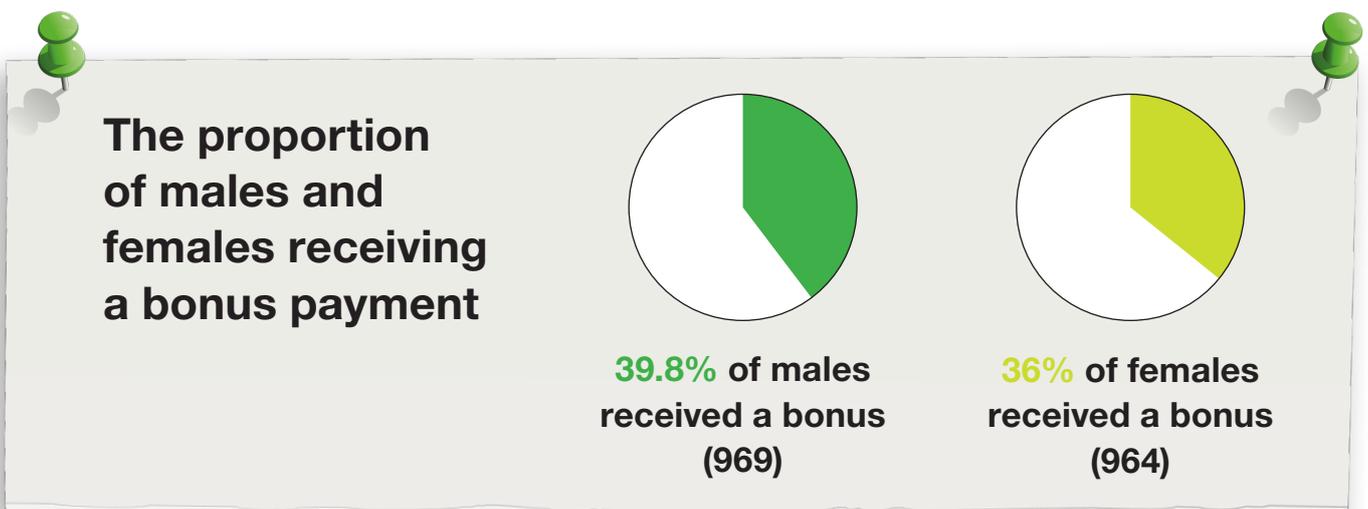
Having spent considerable time reviewing our gender pay gap analysis, we are more confident that our gender pay gap is not an issue that is related to pay. We believe more firmly that our gap is caused due to the structure of our teams and business.



## Proportion of males and females in each pay quartile



The nature of our business means that we have a high proportion of our teams who are paid hourly. Amongst our hourly paid team members, the gender pay gap is just 1.23% (down from 1.29%).

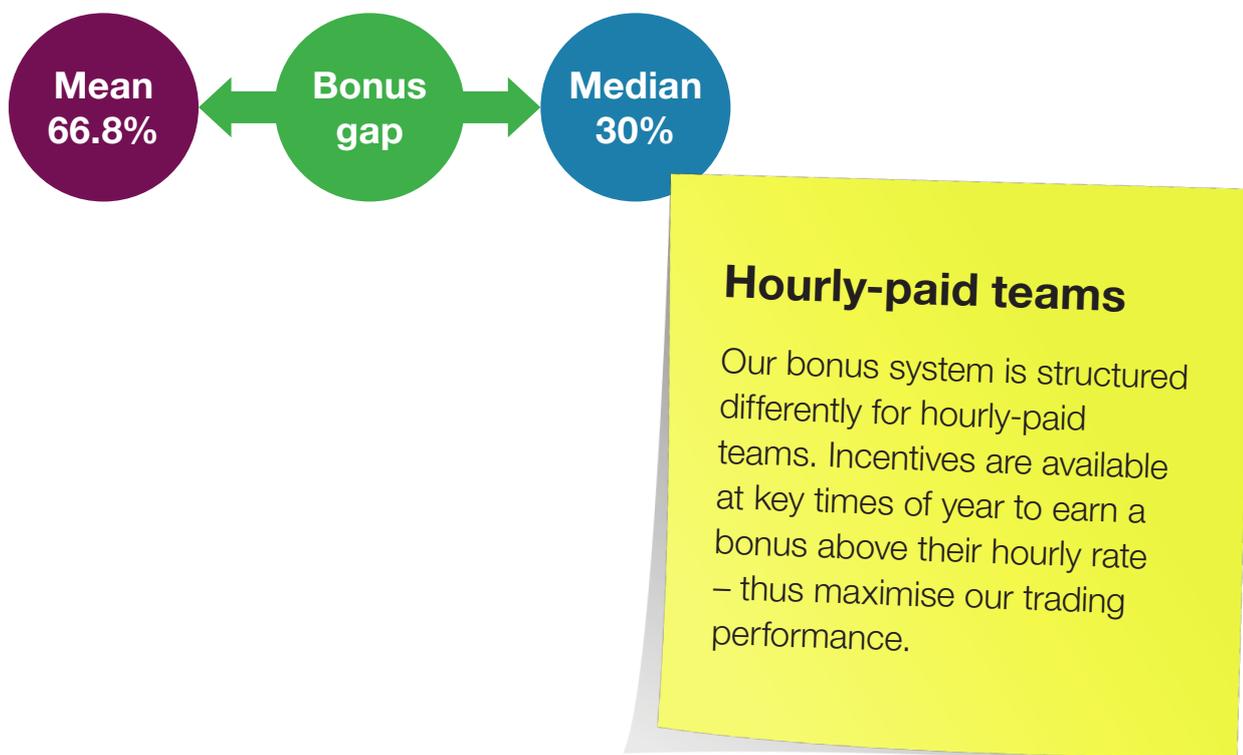


# Understanding Welcome Break's bonus gap

By the nature of our business and the makeup of our Teams, our structure not only affects our pay gap, it also influences our mean bonus gap, which is 66.8%.

Our annual bonus scheme in 2017 was paid quarterly, meaning bonus was paid more frequently. We introduced a new way of measuring our Teams and their performance and as a result, whilst we got used to the new measures, the scheme was changed at various points to ensure fairness across the business. The changes meant that we were able to pay bonus to less people in the early part of the year than we would have liked to.

At Welcome Break, our annual bonus schemes are available to those in management salaried roles. Like our pay structure, these bonus schemes are gender neutral by design. The issue lies with the shape of our organisational hierarchy. In simple terms, the way our business is structured creates a bonus gap in the same way it creates a gender pay gap.



# How Welcome Break is addressing its gender pay gap

The gap in both our mean pay and mean bonus show that we need to do more to reduce our gender pay gap.

As we remain confident that our gender pay gap isn't directly related to pay, we have further investigated into the analysis to understand what is causing the difference between male and female team members, especially where there has been a change.

Following our report based on April 2017's data, as a business we committed to a number of actions, which we have made significant progress with.

## In the last 12 months...

- We have started to make changes to the way that we reward and remunerate our Teams.
- We have re-introduced the annual pay review for both hourly and salaried team members to ensure that we retain a fair and consistent approach to pay increases.
- Following a change in systems, we have also been able to make better use of technology in the way we record bonus payments.
- We made the decision to change our bonus structure to be paid annually rather than quarterly.
- We implemented a more formal and structured career path to encourage more females to work towards a higher level within the company.

# The actions Welcome Break is taking to address any gender imbalance

Following on from some key changes already initiated, here are some areas that Welcome Break continue to remain focused on to address the gender pay gap over the coming year.

## 1. Gender balanced career progression

Our career progression paths are neutral in their design and open to all Team Members who have a desire to progress their career within Welcome Break. Team Members are selected for promotion based on their merit and ability carry out their role. As part of this commitment to gender balance, we will:

- a. Define career path material that is gender neutral and does not discourage female Team Members from applying for roles
- b. Internally showcase the female leaders across the business to encourage gender diversity in more senior positions

## 2. Review of all job roles and titles

We continue to review all job titles in our hierarchy and ensure that team members who perform the same role have the same job title. This includes reviewing roles in our Support Centre for equal job evaluation and grading.

