



Gender Pay. Made at Welcome Break

Welcome to our 2021 Gender Pay Gap Report.

Since 2017, Welcome Break, alongside all UK companies with 250 or more employees, has been required to analyse its gender pay gap and report its results, in line with UK Government legislative guidelines.

Committed to accountability

The business is committed to this opportunity to remain accountable and continue to close this gap and sees the Gender Pay Gap Report as a vital step in addressing equality, equity and pay transparency in the workplace.

Welcome Break is pleased to continue its commitment to provide a Values-driven culture that promotes these virtues for all its people.

Our business comprises a number of disciplines in the hospitality sector including hotels, forecourts, retail, catering units and restaurants alongside its support centre and we are, rightly, proud of our diverse and inclusive culture.

Authentically equitable

We aim to create an authentically equitable workplace where all our team members can thrive, regardless of age, gender, background, religion, race or ethnicity, without showing favour to any one group. As with our customers - Welcome Break is for everyone.

We believe that it is this authenticity that will deliver a truly equitable culture where everyone has the same opportunity to reach their potential and realise their ambitions. This, in turn, will ensure that, as a leader in the hospitality sector, we can ensure we attract and retain the very best talent available.

Our commitment to paying every person fairly is central to this and we will continue to work to ensure this is the case.

John Diviney
CEO Welcome Break

Understanding our pay gap

Holding steady

As of April 2021, the mean gender pay gap at Welcome Break is 7.92%, which is a slight decrease on 2020. However, this is still significantly lower than the UK average (according to ONS data) of 15.4% (April 2021) and is proportionate to the 7.6% gender pay gap in the hospitality industry (PWC).

Whilst this is materially better than average, there remains a significant gap in the number of women in senior roles, which is important as pay and bonus gaps are also driven by the significant differences in pay and bonus opportunities between the most senior employees and the wider workforce.

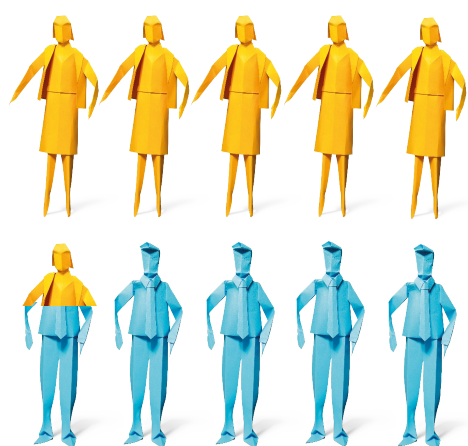
Increasing understanding

Whilst we have remained stable in our gender pay gap, we are still working to further understand the diversity of our people across all areas of the business and to be able to specifically identify, target and address different groups of job roles.

Gender Split

54.66%

of our team are female



Difference between Males and Females

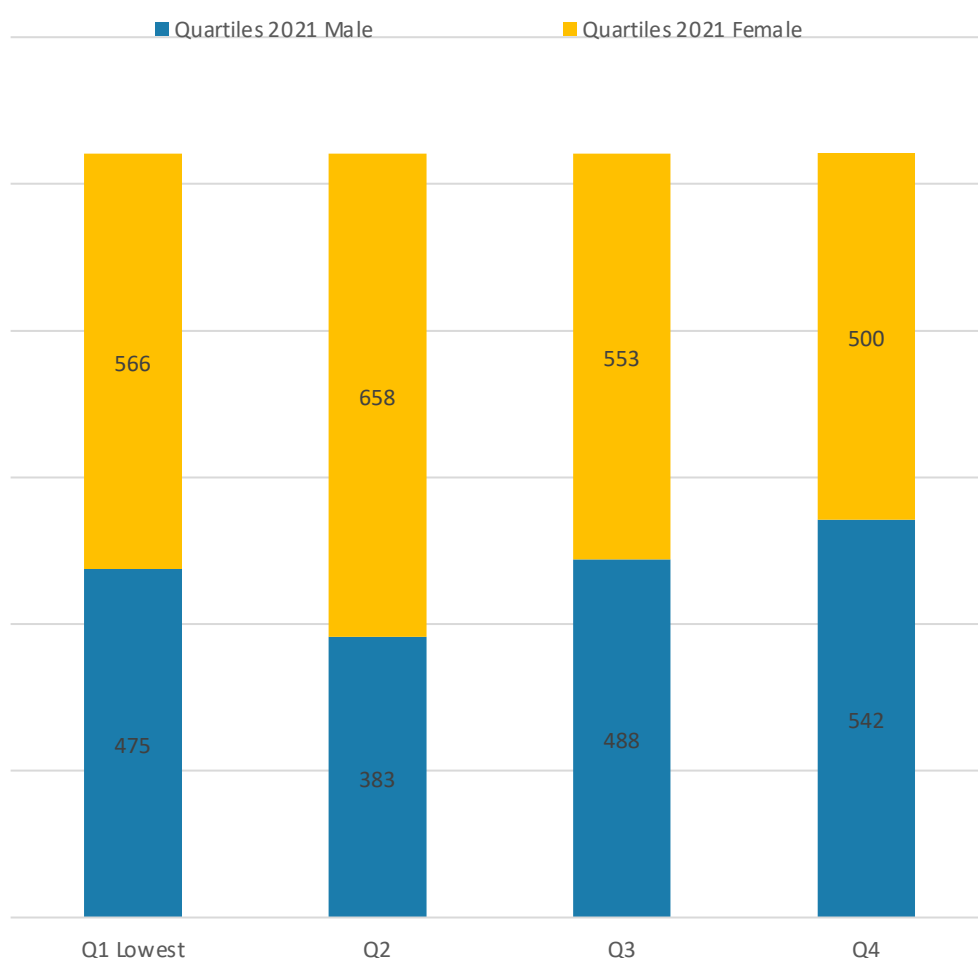
Reduced headcount

For the snapshot year for April 2021, we saw our headcount reduce by 366 people (-8.0%) from 4,531 to 4,165 Team Members across our whole business. In the same period, our female headcount has reduced by 132 (-5.5%) and our male headcount by 234 (-11.0%) – showing a greater reduction in male colleagues than female.

Changes driven by structure

Our business is structured in a way that means the majority of our Team Members are paid hourly. (3,342 individuals, 80.24%).

By continuing to analyse all data related to pay and gender disparities in pay, we can remain confident that these are influenced more by business structure, common to the hospitality industry overall, than any attitudinal concern.



The proportion of males and females in each quartile

Pay Gap

Mean	7.9%
Median	0%

Understanding our bonus gap

The nature of our business and the make-up of our Teams means that our structure not only affects our pay gap, but it also influences our mean bonus gap, which is 38.50% - a change of 23.16% from 2020, whereas the median bonus in 2021 was 121.73% in favour of the female workforce.

Bonus Gap	Median	-121.73%
	Mean	38.50%

Bonus pay gaps in hospitality companies are generally lower than other UK companies. The mean bonus gap for all UK companies is 34.8% compared to 30.8% for hospitality companies (WiHTL) so our gap is marginally higher than both of these figures.

Gender neutral pay structure

Qualification for our annual bonus scheme is made according to accountability and so is available to salaried managers. The scheme, like our pay structure, is deliberately designed to be gender neutral and, as a result, both our bonus and gender pay gaps are driven by organisational structure.

The sector faces well documented challenges in recruiting women into more senior roles meaning that their male counterparts make up a disproportionate number of senior leaders in these businesses. This is then reflected in our bonus pay gap data.

During 2020, and the early part of 2021, as the worst effects of the COVID-19 pandemic and furlough were taking their toll on the sector, with many operational team members and leaders were furloughed, as well as some in our Head Office, affecting those included in the calculations.

The Welcome Break Head Office team has a proportionately higher female skew, whilst the vast majority of more senior positions are held by male colleagues. This explains the high median but lower average bonus payments for women during the review period.



The proportion of males and females receiving a bonus payment

Addressing the pay gap

Recognising the work that still needs to be done to address these inequalities, Welcome Break renews its commitment to creating equity in pay across all its workforce. We will continue to work to close this gap.

Post-COVID ways of working

We still believe that the enhancements made previously to bonus and other recognition schemes the company runs will pay dividends when we are able to return to a more usual, post-COVID way of working in 2022.

Our complexity model

Our complexity model is the way that we benchmark our business, to make comparisons from one part of the business to another.

The refinements that we have made is delivering important information for the company to ensure we continue to be consistent and equitable across our estate.

It enables us to better ensure that the assessments we are making of roles in one area of the business against roles of a similar level in another area of the business are appropriate comparisons.

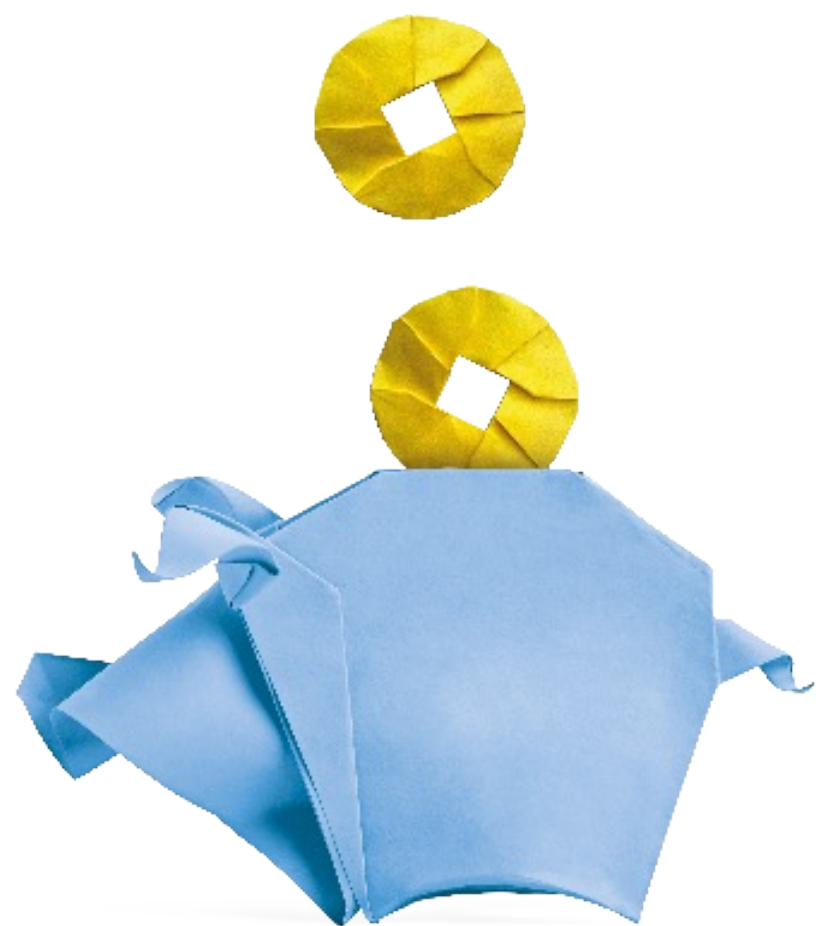
We will continue to refine this model to support our ambitions to deliver our planned diversification of the business offering.

Annual Pay Reviews

As so many team members were on furlough from March 2020 through to April 2021, there was no hourly pay review other than to adjust for national minimum/living wage changes during this time. As a result, the gap remained relatively static.

Payroll platform

We will continue to enhance our reporting capability to ensure we are delivering against our commitments to equity across all team members in the company.



What's next?

External influences continue to play their part in levelling the playing field through a challenging recruitment period, which we expect to continue into 2022 and beyond.

Challenging recruitment market

Low unemployment and a large number of available vacancies significantly limit our ability to make the changes that we would ideally like to, but we continue with our plan to promote internally and to raise up our female team members to fill more senior positions where appropriate.

Rigorous structures, delivering clarity

This year's gender pay gap results also show that the changes we made to our salary and bonus payment methods, alongside the ongoing work to refine our complexity model were, and are, the right thing for us to do.

They will provide a rigorous structure that will give clarity as we continue to deliver improvements across the board.

Driving all payments through our rewards platform has resulted in us making **7,211 awards** in the last year with a **value total of £80,320**. As intended, payments were more equally shared across our teams.



Gender-based career progression

We continue to spotlight our female leaders through our International Women's Day activities, providing visible role models and inspiration for our future female leaders.

Our connection with WiHTL provides great opportunities for us to engage in high level leadership development programmes for senior female leaders.

We are acting decisively to ensure that our job adverts and recruitment processes are free of gender-biased language to ensure that female applicants have no cause to feel discouraged in applying to join us.

Equality, Diversity, Inclusion and Belonging

We recently introduced a 'Guide to Faith' to provide our leaders with the tools that they need to understand their team members and their religious needs better.

We will continue to work to educate the businesses in all the differences that make up our diverse workforce; whether gender, race, religion, background, disability or sexuality.

Equity not just equality

We aim to become not just an equal but authentically equitable workplace for all our people.