

Fair play on gender pay. Made at Welcome Break

This year, for the first time, UK companies with more than 250 people must report on their gender pay gap.

This is a huge step forward for equality and pay transparency. Companies are now required to identify and address gaps in pay. As part of this, they must understand the root cause of any pay gap, while finding solutions to create a pay structure that is fair, transparent and ethical.

This is the approach we take at Welcome Break: 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.



Rod McKie
CEO, Welcome Break



Understanding Welcome Break's Gender Pay Gap

The mean gender pay gap at Welcome Break is 7.66%. This is significantly lower than the UK average of 18.1% and is proportionate to our industry. Whilst this is broadly positive, we still wanted to understand why a gap exists and what we can do to improve the situation.

Number of employees: 4,932



2,287 = 46%



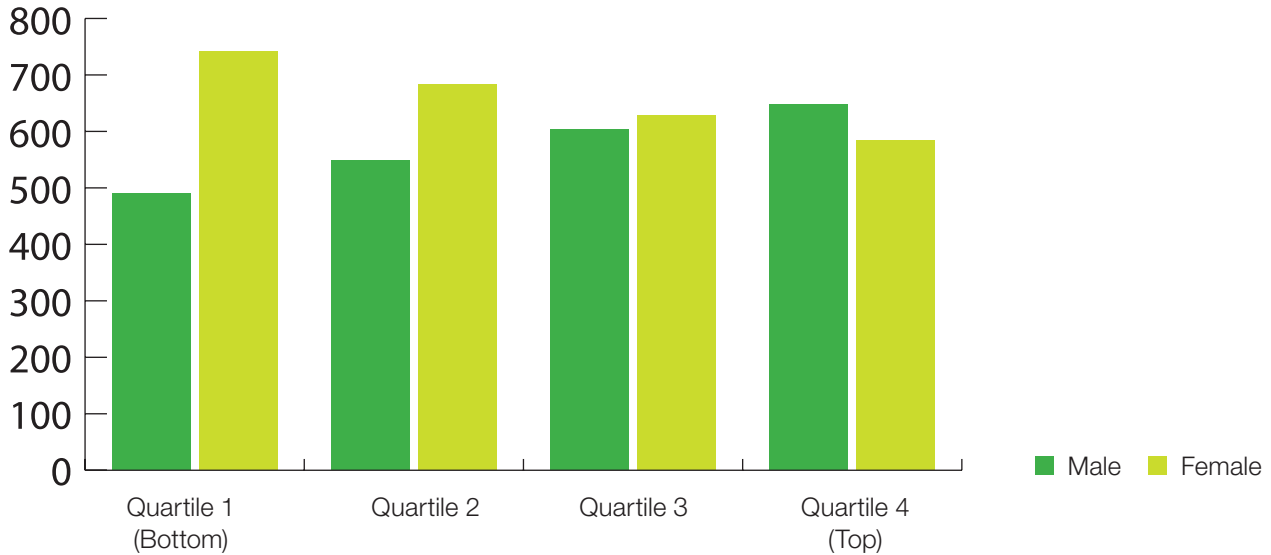
2,645 = 54%

The difference between males and females

Pay gap	
Mean	Median
7.6%	0.6%

At Welcome Break, our approach to pay is gender neutral, so we're confident that our gender pay gap is not an issue directly related to pay. Instead, we believe that the pay gap is the result of how our teams and the business are structured.

Proportion of males and females in each pay quartile

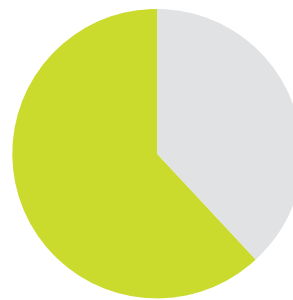


The nature of our business means that we have a high proportion of teams who are paid hourly. Amongst our hourly-paid Team Members, the gender pay gap is just 1.29%.

The proportion of males and females receiving a bonus payment



62% of males received a bonus



62.3% of females received a bonus

Understanding Welcome Break's Bonus Gap

The structure of our business and the makeup of our teams not only affect our pay gap, it also influences our mean bonus gap, which is 46.2%.

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.

Our bonus system is structured differently for hourly-paid teams. Incentives are available at key times of year, enabling Team Members to earn a bonus above their hourly rate.

Bonus gap	
Mean	Median
46.2%	23.1%



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're confident that our gender pay gap isn't directly related to pay, we've delved deeper – to identify and address its root causes.

We've already started to make changes to the way we reward and remunerate our teams. We're also looking at our pay review process for both our hourly-paid and salaried Team Members to ensure a fair, consistent approach to pay rises.



The actions Welcome Break is taking to address any gender imbalance

Over the coming months, we're committed to addressing the gender pay gap by focussing on the following key areas:

1. Bonus Reasons

Better use of our payroll and HRIS systems will help ensure bonus payments are correctly recorded.

2. Gender balanced career progression

Our career progression paths are gender neutral in their design and open to all Team Members who want to progress their career within Welcome Break. Team Members are selected for promotion based on merit and the ability to 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

3. Review of all job roles and titles

We have identified the need to review all job titles in our hierarchy. We aim to 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.

