

SSP's Gender Pay Gap Report 2019



INTRODUCTION

The gender pay gap is a measure of the difference in the average pay of men and women – whatever their role – across an organisation. It is different to equal pay, which directly compares men and women carrying out the same or similar work.

By law, all companies in the UK with more than 250 employees are now required to report on gender pay. Within SSP Group plc, this includes Select Service Partner UK Limited (SSP UK) and Rail Gourmet UK Limited (RG).

To understand the gender pay gap, there are six key indicators on which companies are asked to report: the mean and median differences in hourly pay; mean and median differences in bonus pay; the proportion of male and female employees who received a bonus; and the proportion of male and female employees in each of the quartile pay bands.

What's included in our hourly pay?

At SSP, hourly pay includes (but is not limited to) base pay, premium payments (e.g. unsociable hours) and travel allowances as applicable. Excluded are payments for redundancy and benefits-in-kind. Employees on family or sick leave are also not included.

What is the mean?

The mean is the average of the numbers. It's calculated by adding up all the numbers, and then dividing by how many numbers there are.

What is the median?

The median is the middle number. It's calculated by listing all the numbers in numerical order and picking the one in the middle.

On the pages that follow, we outline our gender pay gap findings.

WHAT IS OUR GENDER PAY GAP?

Within **SSP UK**, 46% of our colleagues are male, and 54% are female. The difference in hourly pay between males and females is as follows:

Mean 7.4%

Median -0.1%

Within **RG**, 69% of our colleagues are male, and 31% are female. The difference in hourly pay between males and females is as follows:

Mean 5.5%

Median -0.4%

Understanding our gender pay gap

For both SSP UK and RG, our gender gap is below the UK mean average of 16.2% and median average of 17.3% and the UK retail sector averages of 17.3% (mean) and 9.5% (median).¹

We're pleased to see the gender gap has remained flat compared to last year, but we still wanted to understand the drivers behind this. Our analysis identified three main contributors (the same as last year):

1. Management roles: Across our management roles, there are more men than women at higher management grades who are therefore receiving higher salaries
2. Hourly Paid roles: The majority of our UK colleagues are on an hourly wage contract with the majority at Team Member level. We currently employ more female than male Team Members.
3. Premium payments: Team Members working 'unsociable' hours, e.g. night shifts, are paid a premium for this. As a result, their hourly pay is higher compared to someone working day shifts. Within our Team Member population, a higher percentage of men than women choose to work 'unsociable' shifts.

¹ Based on estimates from ASHE Survey 2019 (Annual Survey of Hours and Earnings – Office for National Statistics)

WHAT IS OUR BONUS GAP?

Across all **SSP UK** colleagues, 60% of females and 58% of males received a bonus.

The difference in bonus payments between males and females is as follows:

Mean 60.3%

Median 16.0%

Across all **RG** colleagues, 56% of females and 42% of males received a bonus.

The difference in bonus payments between males and females is as follows:

Mean 33.5%

Median 14.6%

Understanding our bonus gap

At both SSP UK and RG, the bonuses awarded to our salaried colleagues are based on a percentage of their salary, so those with higher salaries also have a higher bonus potential. As was the case last year, our mean bonus payments are higher amongst our male salaried colleagues, because we have more males than females in more senior roles.

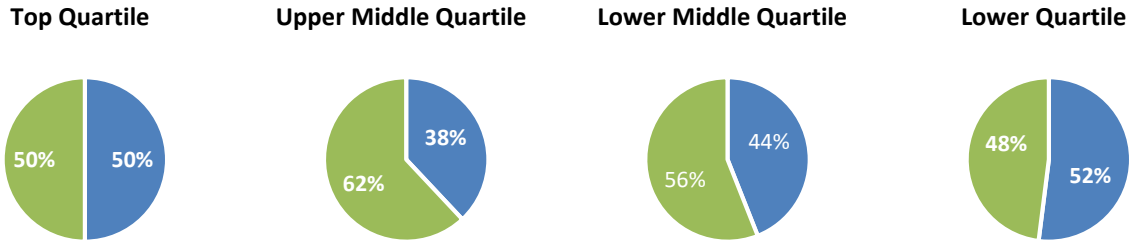
Our hourly colleagues who are eligible for a bonus are incentivised by schemes that pay an additional amount per hour, so those working longer shifts will qualify for a larger aggregate bonus if they hit their targets. Due to the fact that on average our female hourly colleagues work fewer hours, with many preferring the flexibility this brings, their total bonus pot is less than that of a male colleague working longer shifts.

In RG, significantly more females than males receive bonuses. However, the majority of the bonuses are received by hourly paid female colleagues as small commission-based payments (as a percentage of their on-board sales). On the other hand, the men receiving bonuses at RG are predominantly salaried colleagues, so their bonuses are higher.

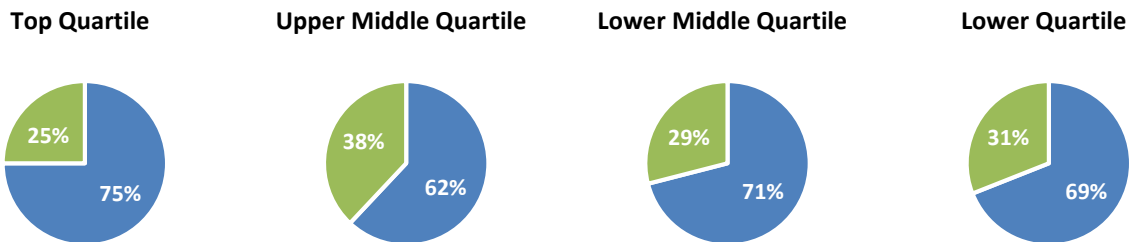
HOW IS OUR PAY DISTRIBUTED?

The distribution of men and women is shown in pay quartiles which are calculated by splitting the whole workforce into four equal sized bands based on hourly pay, from highest to lowest. The percentage of men and women is calculated for each band.

Pay quartiles for SSP UK



Pay quartiles for RG



■ Females
■ Males

CONCLUSION

We are pleased that in our third year of reporting our gender pay information the results remain lower than the UK and retail sector averages. As communicated last year, we acknowledge there is still more we can do to further bridge the gap and we will continue to explore opportunities to attract, engage and develop more women into senior management positions whilst maintaining our belief in recruiting the right people for the right job, regardless of gender.

Rachel Howarth, Group HR Director