

AccorInvest UK

Gender Pay Gap Written Statement

Accor UK Business & Leisure are fully compliant with all relevant legislation and wholly committed in our duty to report our Gender Pay Gap findings for the year end 2021.

As outlined by the Government, the Gender Pay Gap is an analysis of the difference between the average (mean or median) earnings of men and women across a workforce. From 2017, employers who have 250 or more employees on a selected date each year must comply with regulations on gender pay gap reporting. Gender pay gap calculations are based on employer payroll data drawn from the specific date each year.

This is our annual gender pay gap report for the snapshot date of 5 April 2020.

- Our mean gender pay gap is **10.5%**
- Our median gender pay gap is **15.3%**
- Our mean gender bonus gap is **29.8%**
- Our median gender bonus gap is **26.2%**
- The proportion of male employees receiving a bonus is **83.7%**
- The proportion of female employees receiving a bonus is **82.9%**

Table 1: Pay quartiles by gender

The below table shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile). A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The "lower quartile" is the lowest group. The "upper quartile" is the highest group.

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Band	Males	Females	What is included in this band?
A	49.6%	50.4%	All employees whose standard hourly rate is within the lower quartile
B	59.0%	41.0%	All employees whose standard hourly rate is more than the lower quartile but the same or less than the median
C	65.8%	34.2%	All employees whose standard hourly rate is more than the median but the same or less than the upper quartile
D	63.6%	36.4%	All employees whose standard hourly rate is within the upper quartile

The figures in this table have been calculated using the standard methods used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Why do we have a gender pay gap?

Our snapshot date of 5th April 2020 represents a very unsettled time across the country as we had entered our first National Lockdown due to the Covid-19 pandemic. Although the payroll for this date was still substantial enough to be analysed fairly, we had 2,769 relevant employees in the UK of which only 469 could be classified as full-pay relevant employees, and the latter were used in the reporting of hourly pay gap statistics.

The hospitality industry was critically impacted by the Covid-19 pandemic which resulted in the sector shutting down partially/completely during this period and this accounts for a reduction of the total number of individuals analysed. Furthermore, within our hotels, our General Manager's and Maintenance Managers had to work throughout the pandemic for security reasons whilst the hotels were closed. The data shows that in these roles, we typically have more male employees, and with this in mind, these members of staff would be counted in the sample of "full pay relevant employees" which would therefore have an impact on this year's results.

Legally, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

We are committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above). We:

- carry out regular pay and benefits audits;
- evaluate job roles and pay grades to ensure fairness.

We are confident that our gender pay gap is not a pay issue; we know this because our approach to pay is gender neutral by design and our analysis shows that our pay gap is driven by the structure of our workforce.

The table above shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile). If we had no gender pay gap, there would be an equal ratio of men to women in each band. However, instead, we have a higher representation of male colleagues in Bands B, C and D with an almost equal representation in Band A.

What are we doing to address our gender pay gap?

We are not happy with our gender pay gap even though it compares favourably with others in some areas. We are committed to doing everything we can to reduce the gap. However, we also know this is a difficult task. For example, we have no control over what people choose to study or the career choices that they make.

So far, we have taken the following steps to promote gender diversity:

- **Salary Review:** Reviewing all employee's based in our hotels on an hourly rate to ensure consistency in job roles and allow exceptional increases to reduce any gaps during the annual salary increase process
- **Reviewing the flexible working policy:** We are looking to review and publish our updated flexible working policy to make

it clear that we will consider requests from all employees to work flexibly, regardless of their role and level of seniority, and that flexible working is not just part-time working.

- **Supporting parents:** We have developed new guidelines and policies for managers on supporting employees before, during and after maternity and other family friendly/ parental leave in order to raise awareness to our employees of their entitlements.

By themselves, none of these initiatives will remove the gender pay gap - and it may be several years before some have any impact at all. In the meantime, every year we will tell you what we're doing to reduce the gender pay gap and the progress that we're making.

Any further initiatives launched throughout the year will be reported on the company intranet.

I, Alice Neubert, VP Finance UK & Benelux, confirm that the information in this statement is accurate.

