



GENDER PAY GAP REPORT 2023

Hotel Chocolat (based on data from 5 April 2022)


HOTEL
Chocolat.

A VIEW FROM THE CHAIR OF THE WOMEN'S NETWORK

In my role as chair of the Hotel Chocolat Women's Network, I want every employee to feel they belong here and have every opportunity to grow and develop their career. This includes looking at the whole picture, like our Gender Pay Gap reports, and taking positive action to remove any barriers to these opportunities.

I am proud of the work that is already taking place around enabling flexible working, and looking at what policy provisions would help support our ambitions, such as fertility, maternity and menopause support. I feel confident that we can continue to build on this to ensure true gender equality of opportunity for all.

Melissa Shackleton,

A handwritten signature in a cursive script that reads "Melissa".

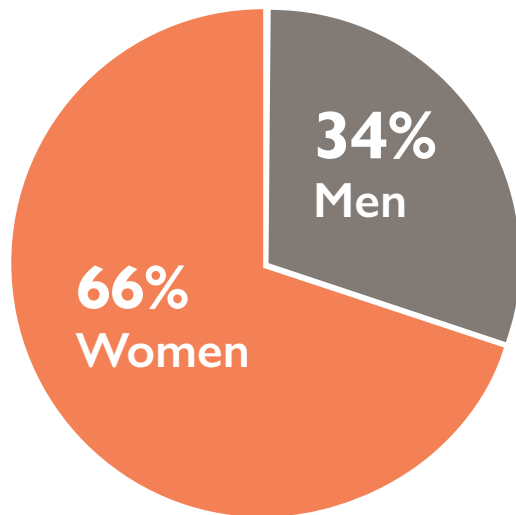
Chief Business Development Officer
Hotel Chocolat





Our gender pay gap report has been calculated in line with Government regulations to measure the difference between the average earnings of all the men and the women in the business. Looking at this data helps us focus on the areas within Hotel Chocolat that can help us deliver our wider Equality, Diversity & Inclusion ambitions. In the past year we have set up a Women's Network to support the growth and development of female employees, launched our Employee Forum to ensure all colleagues are able to have a voice in the business, and developed our ED&I policy.

HEADCOUNT: 2167
1438 women, 729 men



The headcount figures are based on the **GPG reporting requirements**.

£ = £

The gender pay gap is different to equal pay, which looks at how much men and women are paid for doing the same or similar work, rather than looking at what everyone in the organisation is paid.

Hotel Chocolat is committed to the principle of equal opportunities and equal treatment for all employees.

**Average UK pay gap in
Retail sector:**

Mean: **8.3%**

Median: **14.9%**



MEAN GAP*

When comparing mean hourly pay, men's hourly rate is **23.5%** higher than women's.

This is an increase from 13.6% last year.

MEDIAN GAP**

When comparing median hourly pay, men's hourly rate is **14.4%** higher than women's.

This is an increase from 4.8% last year.



AVERAGE HOURLY RATE

Men: Mean hourly rate of **£16.91**

Median hourly rate of **£12.71**

Women: Mean hourly rate of **£12.90**

Median hourly rate of **£10.88**



The hourly rate figure is calculated by taking the salaries in the organisation for all male employees and all female employees, converting them into an hourly rate and comparing them against each other.

*Mean – the average of a set of numbers. This is achieved by adding up the values and then dividing by the number of values.

**Median – the middle number in a ranked list of numbers.



GENDER BONUS GAP

While in the reporting year, broadly the same percentage of men and women received some form of bonus pay, the median pay gap was 15%, which was driven by the increased number of top leadership roles being held by men.

UK GENDER PAY GAP

The UK's mean pay gap this year is 13.2%, a figure that has remained consistent since the start of reporting in 2017, when it was 14.3%.

Gender Pay Gap Changes

Our male / female ratio of employees has stayed constant since we reported last year.

The increases in this year's pay gap can be partly attributed to the lack of like-for-like comparison with last year's data, which was based on a significantly reduced number of employees, as those on furlough were not included.

Alongside this, we have had impacting changes within the Executive team. Overall, it has been a year of significant change in which we have been focused on shaping our business model to ensure we are fit for the future, but our commitment to equal opportunities for all employees remains core to all of this.

PAY QUARTILES

Upper

Female 50%

Male 50%

Upper middle

Female 62%

Male 38%

Lower middle

Female 76%

Male 24%

Lower

Female 77%

Male 23%

Our workforce demographics:

Female 66%

Male 34%

Taking all our salaries and splitting them down into four quartiles shows us the makeup of our employees in terms of males and females sitting in those quartiles. It shows that there is a larger proportion of women in the lower pay bands, which will impact the overall average pay across the organisation.

Of our 2167 employees, 1161 (54%) are employed within our shops, where salaries align with the national minimum wage and are therefore the lowest within the company. 899 (77%) of these employees are women.

We have jobs across seven role levels within Hotel Chocolat and, while we have many women in senior roles, there are still more men in these highest-paying roles in the organisation. This is consistent with what is reported by other organisations in the UK.

It remains the reality in society that women still hold the majority of child and other caring commitments which impact on their career development opportunities. While we cannot achieve an overnight change in this, we can continue to take steps to ensure Hotel Chocolat is accessible as an employer of choice for everyone who wishes to develop their career, and that we actively identify and remove any barriers that exist to creating development opportunities and gender equality at work for all.

HOTEL CHOCOLAT'S COMMITMENTS FOR 2023

- 1 Develop a culture where managers enable an inclusive working environment for all at Hotel Chocolat by actively looking at ways to support flexible working requests by encouraging a 'how is this possible?' approach, rather than 'this won't work'.
- 2 Update our Maternity Pay & Policy provisions for new parents to support them to be able to make a choice about their career with Hotel Chocolat. We'll continue to review this and other policies across the year to ensure they remain fit for the purpose of supporting our EDI work.
- 3 Continuing our focus on the balance of male and female representation at Director and Executive level by finding ways to develop more female senior leaders. We'll keep working throughout the year to ensure the learning and development practices we create support career development for all.



HOTEL Chocolat.

Our People Pledge:
At Hotel Chocolat we treat each other
with respect, equality and grace.
Our mantra? Be brave. Be kind.