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**GENDER PAY REPORT**

**2021**



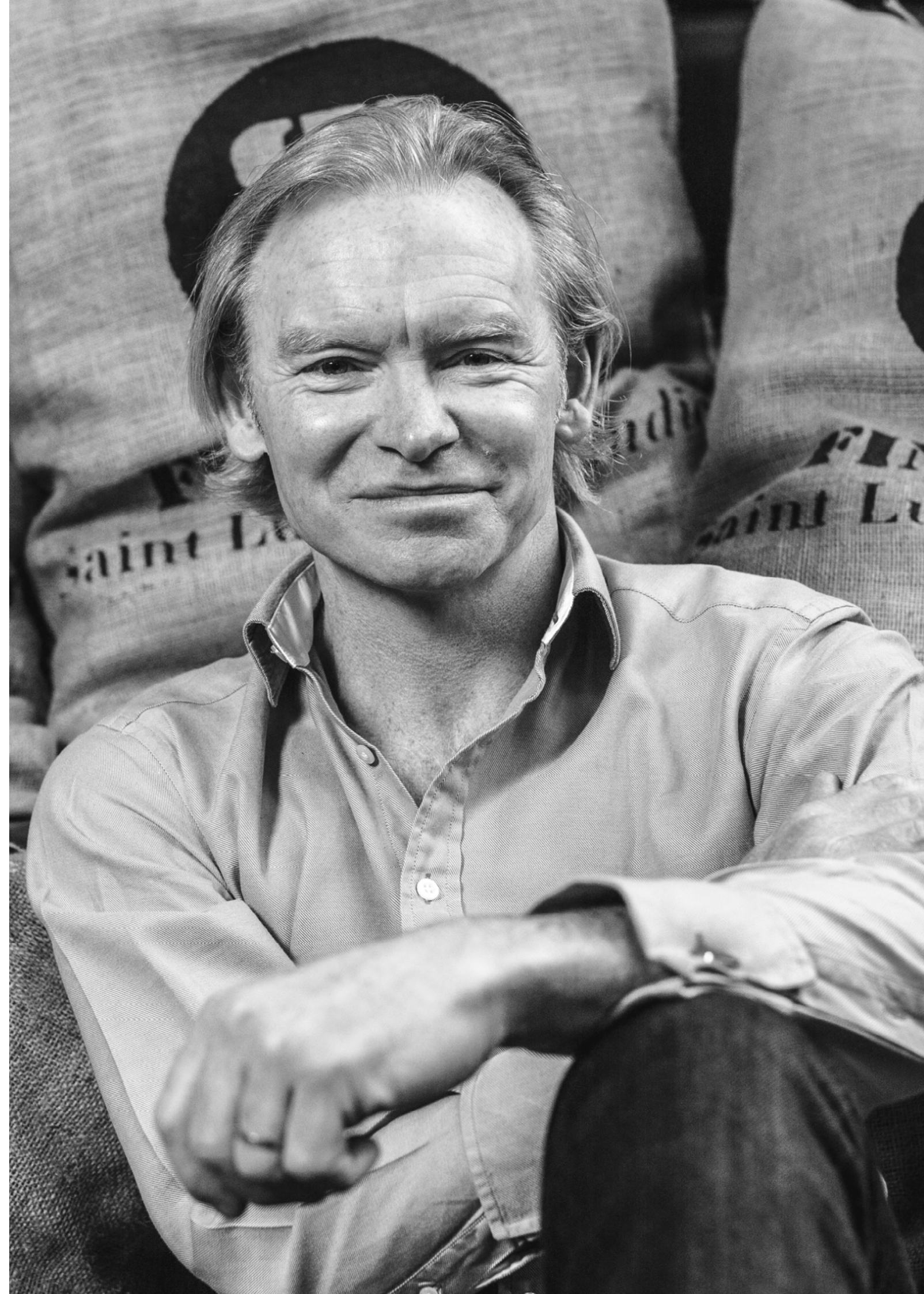
# INTRODUCTION FROM ANGUS THIRLWELL, CEO HOTEL CHOCOLAT

People are the key ingredient to our success and we're proud to have a culture that allows our team to thrive. We want every employee to have a chance to develop their career and grow with us, because when people grow, our business grows.

We have a diverse and inclusive workplace where everyone feels a sense of belonging and is able to be themselves. It's important that everyone is able to make the best use of their skills and talents, free from discrimination or harassment, with decisions that are based on merit. We're confident that all employees, male and female, are paid fairly for the valuable roles they fulfil across Hotel Chocolat.



Angus Thirlwell, CEO and Co-founder, Hotel Chocolat





# HOTEL CHOCOLAT GENDER PAY REPORT

## WHAT IS THE GENDER PAY GAP?

The gender pay gap measures the difference between average earnings of men, compared to average earnings of women. We use the calculations set out by the government to calculate the figures.

The gender pay gap is not to be confused with equal pay. Equal pay is about how much employees are paid for doing the same or similar work that's considered of equal value. We pay our employees according to their role, regardless of their gender. Because of the way the government asks us to report, it means that even when pay is equal, there may still be a pay gap.

We recognise that the gender pay gap only covers males and females and that's because of the way we are asked to report by the government. We respect that some of our employees may have a different gender identity and we actively support them with our inclusive approach and through our LGBT+ network.

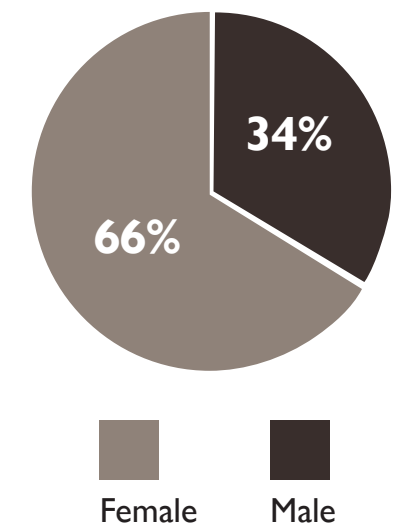
## WHO WORKS FOR HOTEL CHOCOLAT?

With ambitious growth plans, the number of employees is growing all the time but at the date of the report, we had 1810 permanent employees, an increase of 16 year on year. The new roles were spread across all parts of the business. The overall gender split of the workforce is 66% female and 34% male.

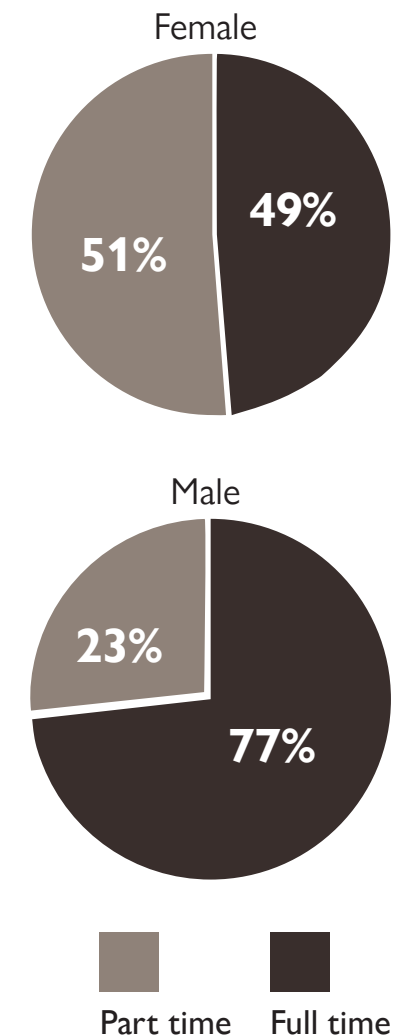
It's important to us to be able to offer flexible working options, this is particularly true in retail stores where we offer a wide range of roles and large number of part-time opportunities.

Not only does this suit the differing circumstances of our colleagues, it also allows us to attract individuals from a diverse talent pool. Across the business the proportion of women working in part-time roles is higher than men; 51% of women are part time vs 23% men. The percentage of both women and men working part time has reduced since 2020 (9% and 7%).

Employee mix by gender



Employee mix by part and full time



# SUMMARY OF RESULTS: YEAR ENDED APRIL 2021

## GENDER PAY GAP

Our gender pay figures have been calculated using data from less than 52% of our workforce in the relevant period and this has significantly affected what we are reporting. Like many other retail businesses our stores were closed and colleagues furloughed in April 2021. The guidelines require that we exclude this population from our calculations so our gender pay gap for 2021 is not a true reflection of where we are really positioned. Our workforce is made up of more women than men, as a result more women than men were furloughed contributing to the reduction in the gender pay gap we are reporting for 2021.

We are confident that all of our employees are paid fairly for the roles they fulfil. The gender pay gap is reported below:

Hotel Chocolat Gender Pay Gap		National Average (per ONS)	
Mean <sup>1</sup>	13.6%	Mean <sup>1</sup>	14.6%
Median <sup>2</sup>	4.8%	Median <sup>2</sup>	15.5%

## GENDER BONUS GAP

The gender bonus gap compares the total bonus value received in the year. When bonuses are paid as fixed percent of annual earnings, those working more hours will receive a larger bonus. For example, a person working 30 hours per week on the same hourly rate as a person working 20 hours per week will receive a bonus that is 50% larger. Our gender bonus gap is reported below. A negative mean bonus gap identifies that the average bonus paid to women was higher than the average bonus paid to men. The median of 0% shows that when all bonuses paid are lined up in ascending order of value by gender, the middle point for men is equal to the middle point for women.

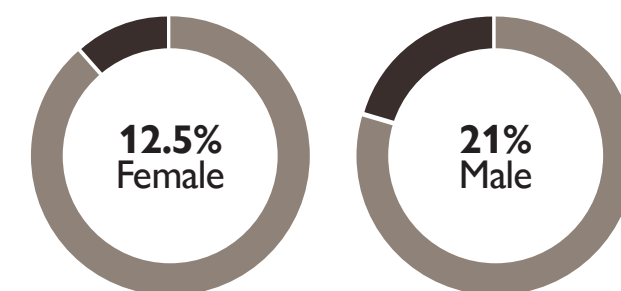
Hotel Chocolat Gender Bonus Gap	
Mean	-51.6%
Median	0.00%

1. The mean gap divides the total pay of all women by the total number of hours worked and compares this with the total pay of all men divided by the number of hours worked, this gap is 13.6%.
2. The median gap ranks all women from lowest to highest paid, and all men from lowest to highest paid and then compares the middle woman with the middle man, this gap is 4.8%.

The majority of our employees work in retail stores, where we have a higher proportion of female employees and rates of pay tend to be lower than for central support roles. Our hourly rates are consistent for the same role.

3. The amount of full pay relevant employees is 938 out of a total 1810. The remainder are excluded due to furlough and other non-full pay reasons.

## PERCENTAGE OF EMPLOYEES RECEIVING A BONUS



Hotel Chocolat didn't operate a bonus scheme in the year ending April 2021 due to the impacts of the pandemic. This is reflected in the percentage of employees who received a bonus.

128 men and 150 women received a payment which counts as bonus for the purposes of the gender bonus gap calculations, which equated to 12.5% of women and 21% of men.



# GENDER DEMOGRAPHIC PER PAY QUARTILE

We are required to report the proportion of males and females in four equal sized quartile groups. Each pay quartile includes one quarter of the total workforce, sorted in ascending order of pay.

It should be noted that in the highest paid two quartiles there are more men than women. A gender pay gap will arise if there is a larger percentage of women in the lowest paid quartiles, even though everyone is paid equally for the role they do.

## OUR COMMITMENTS

We believe that gender pay is just one important element of a broader agenda to encourage diversity and inclusion. We're actively working on a number of initiatives to increase diversity and promote inclusion across the business. We've provided D&I training for everyone across the business, we've introduced new inclusive recruitment practices as standard and we've got a number of employee driven networks aligned to different strands of diversity who are driving a truly inclusive culture.

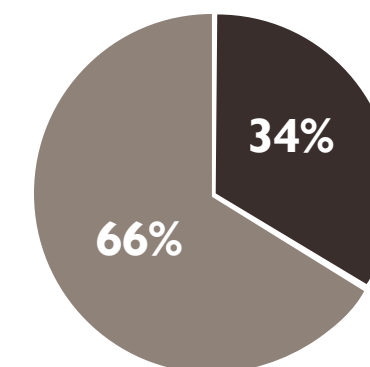
## DECLARATION

We confirm that Hotel Chocolat's gender pay calculations are accurate and meet the requirements of the regulations.

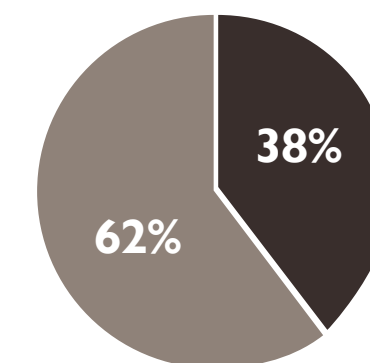


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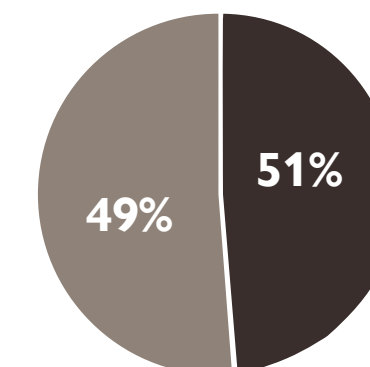
Lower pay quartile



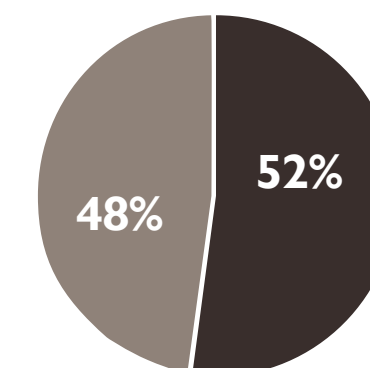
Lower middle quartile



Upper middle quartile



Upper pay quartile



Female Male