

## Background

At Travelex, we welcomed the introduction of the gender pay gap reporting in 2017 because we believe a person's gender should not affect their pay, career opportunities or workplace experience. Like most UK companies, we still have a gender pay gap at Travelex, but as we discuss below, we remain committed to taking steps to address it. This is not the same as an equal pay gap. Equal pay law requires that men and women who carry out equivalent work must receive equivalent pay.

## Travelex – Pay<sup>1</sup> & Bonus Gap

The table below shows our mean<sup>2</sup> and median<sup>3</sup> hourly gender pay gap as at the snapshot date (5<sup>th</sup> April 2018). The table also shows the Mean and Median bonuses paid to employees at Travelex for the period between 6<sup>th</sup> April 2017 and 5<sup>th</sup> April 2018 (the 'Reporting Period'):

Difference Between Men & Women		
Category	Mean	Median
<i>Hourly Fixed Pay</i>	<b>31.25%</b>	<b>10.04%</b>
<i>Bonus Paid</i>	<b>53.61%</b>	<b>11.29%</b>

The above data takes into account UK-based jobs, at all levels and all salaries within Travelex. Compared to last year's report, our mean gender pay gap has increased slightly whilst our median gender pay gap has reduced slightly. A gender pay gap can result from various factors, including more men than women in senior positions. One of the biggest influencing factors resulting in the gender pay gap at Travelex is the make-up of our workforce; we have identified a large proportion of women employees employed in retail positions, which tend to be lower paid roles, but a low proportion of women in our most senior positions, which tend to be the most highly paid roles.

In addition, the fact that certain senior level bonuses are paid in April has a distorting effect on our gender pay gap hourly rate figures. This is because bonuses paid in April are included, as legal instructed, in the hourly pay calculation (on a pro-rated basis) as well as the bonus gap calculation. As a result, bonus payments paid to senior staff (who are more likely to be men) in April are factored into the hourly rate pay gap, whereas bonuses paid in months other than April are not. This means that bonuses received by staff in less senior positions (who are more likely to be women) at other times throughout the year are not factored into hourly pay.

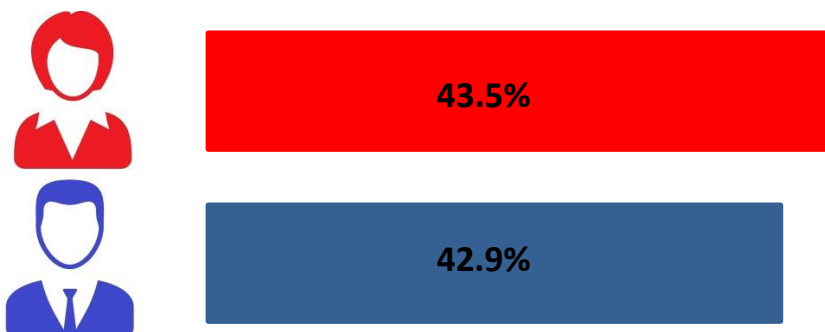
Whilst our median bonus gap is low, the make-up of our workforce also provides an explanation as to why the mean bonus pay gap remains high, despite having decreased by 5.39% compared against last year's figure. The majority of bonuses awarded in the Reporting Period were retail incentives, which are generally lower in value than the bonuses which more senior staff are eligible for.

## Proportion of Employees Awarded a Bonus for the Reporting Period:

<sup>1</sup> 'Pay' includes base pay, paid leave, maternity and paternity pay, sick pay, area allowance, shift pay, certain bonuses and other allowances (including car allowances) but excludes overtime pay, expenses, benefits-in-kind, redundancy payments, pay arrears, tax credits and the value of salary sacrifice scheme.

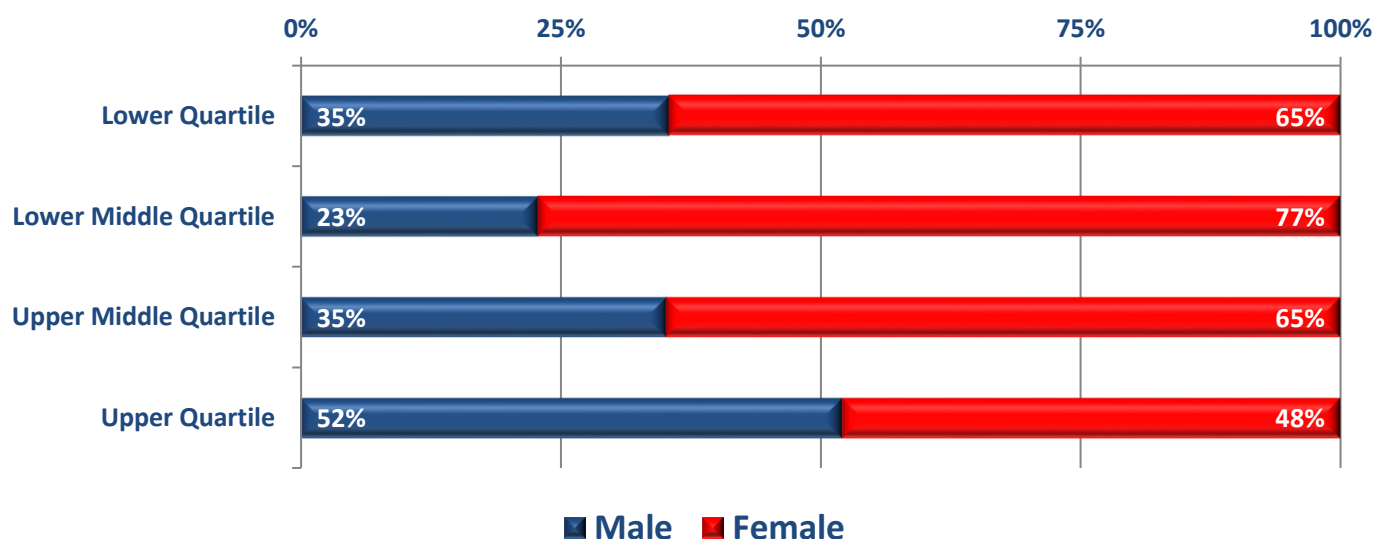
<sup>2</sup> Difference between the average hourly earnings of Travelex's female and male employees

<sup>3</sup> Difference between the mid-point value of hourly earnings of Travelex's female and male employees



For this Reporting Period, we experienced a reduction in all bonus payouts. However, overall there remained a slightly higher proportion (0.61%) of women employees who received a bonus as compared to men.

#### Travelex Pay Quartiles as at the snapshot date – 5<sup>th</sup> April 2018



The chart above illustrates the gender distribution across equally sized quartiles at Travelex. Each quartile contains approximately eight-hundred & fifty-five (855) employees. The percentages show the median pay gap in each quartile. Our analysis shows the current total gender pay gap is driven by the fact there are more men in the most senior higher-paid roles in the top end of the upper quartile within the organisation. Our further analysis found that our pay gap in lower/middle level roles is virtually non-existent.

#### What are we doing to close our gender pay gap?

Our diversity and inclusion strategy focuses on attracting, developing and retaining world class talent, while promoting a culture in which all colleagues can bring their whole selves to work. Launched on 8<sup>th</sup> March, 2019 in recognition and celebration of International Women's Day, our global gender inclusion strategy aims to improve the gender balance within Travelex by:

- Unveiling our global sponsorship programme which sees high potential gender and ethnically/racially diverse colleagues matched with a member of the Travelex Executive who will be responsible for accelerating their development;

- Supporting female career progression through active succession planning, development and coaching programmes via Accelerate, our flagship programme for future senior leaders, and Elevate, our leadership and management development programme aimed at new or transitioning people leaders;
- Continuing to partner with the FT 125 by offering exclusive access to career development opportunities for women in our business;
- Educating our global Executive on conscious inclusion for gender equality, helping to minimise unconscious bias and taking steps to create a truly inclusive workplace;
- Launching our global gender equality network that is committed to advancing the gender inclusion agenda for colleagues across Travelex;
- Utilising our gender inclusion training programme to educate our colleagues on topics such as gender stereotyping and gender relations.

Our inclusion strategy seeks to engage both male and female colleagues in the advancement of gender equality. We are excited about the impact our global sponsorship programme will have in advancing the development of our female colleagues and helping to reduce the gender pay gap at Travelex.

I confirm the data reported is accurate.



Gareth Williams  
Chief Product & Innovation Officer