

2022 Gender Pay Gap Report

Background

At Travelex we believe our colleagues are our key differentiator; from the frontlines through to our support centres, we aim to create a safe and dynamic environment where all colleagues can thrive, feel supported and engaged, and reach their full potential. We are invested in our people, rewarding colleagues fairly and offering the same development opportunities to all. We appreciate the importance of gender pay gap reporting as a driver for change both within our organisation and society. We believe a person's gender should not affect their pay, career opportunities or workplace experience.

Our report provides information on the gender pay gap at Travelex Central Services Ltd on the snapshot date of 5th April 2022. It also reflects bonus information collected for the period between 6th April 2021 and 5th April 2022 inclusive (the 'Reporting Period').

We are very proud to see that our pay median, bonus median and bonus proportion results have improved compared to 2021's results. At first glance, there appears to be a less positive story with the pay mean and bonus mean. However, digging deeper into the data we see two factors at play – the inclusion of a few unique anomalies and the proportional split of our headcount, which sees the men's mean more sensitive to anomalies than women's.

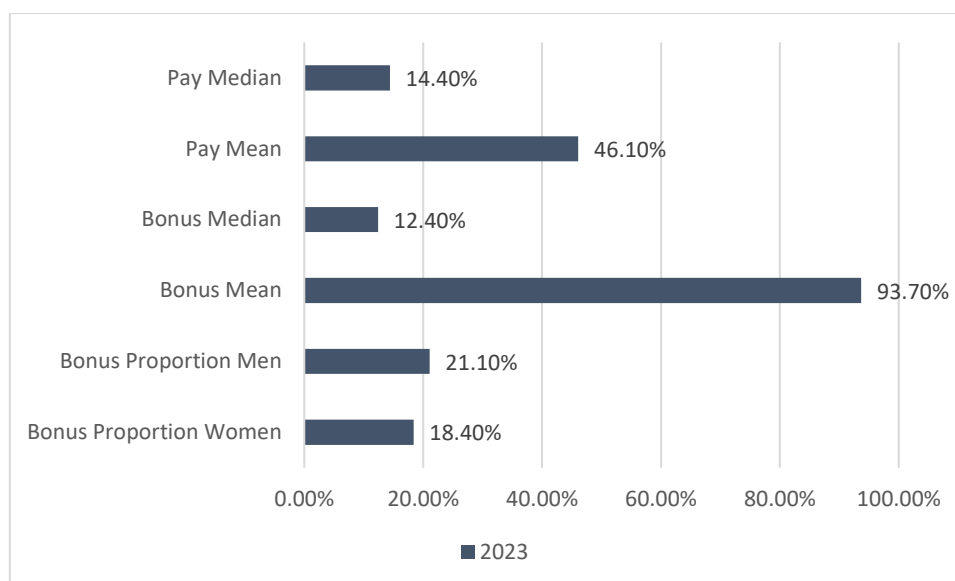
We were happy to welcome back our colleagues from furlough leave in late 2021 and they are included in this year's report in addition to a number of other newly created frontline jobs. As a result of these factors, our headcount proportion changed from circa 57% men and 43% women (in 2021) to 30% men and 70% women (in 2022). Although our support function colleagues continued to have a similar proportion as last year – 60% men and 40% women (2022 Support Staff) – our frontline colleagues' proportion (75% women and 25% men) reflects the wider retail industry in that women fill more roles.

Based on our headcount, there are almost nine women in the frontline to one woman in a support function role compared to three men in the frontline to one man in a support function role. Although this means our men's mean metrics are more sensitive to the outliers (mainly the executive committee team) which in turn skews our data, we are proud to employ so many women not least because natural succession should mean in future years more women will occupy more senior roles in the business. Our numerous internal learning and development and leadership initiatives will support this succession.

Like many other organisations, we are continually working to improve any legacy structures which affect the Gender Pay Gap results, and this will take time. We are actively committed to making Travelex a great place to work where all our colleagues are paid and treated fairly, regardless of gender or any other demographics including but not limited to sex age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation.

Our statistics

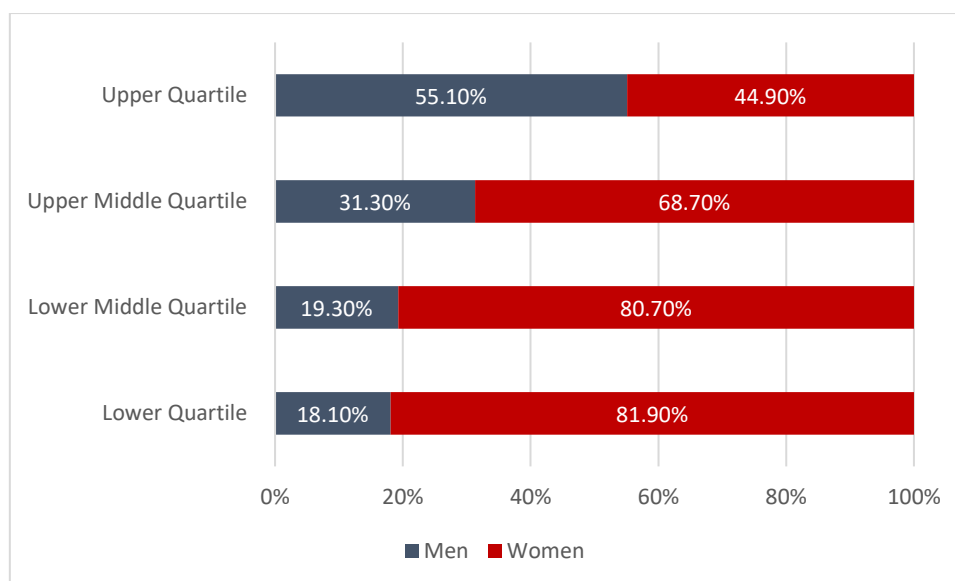
The charts below show our mean and median pay gap as at the Snapshot Date (5th April 2022), as well as the quartiles. The table also shows the mean and median bonus gap relating to bonuses paid to colleagues over the Reporting Period, as well as the proportion receiving a bonus.



The mean gender pay gap in hourly pay for the 2022 Reporting Period is 46.10%, this is the difference between average hourly rate of pay for women compared to men (this is across all roles – and not roles on a like for like basis). The median gender pay gap, which is considered more reliable as it excludes outliers, is 14.40%, showing the difference between the middle hourly rate of women compared to men (when listed from highest to lowest).

To further investigate why our pay mean results were high we have divided our headcount into three populations – frontline, support, and executive - to test the mean of each population. For pay mean, we see no gap amongst our support colleagues which we are extremely proud of. Our executives employed by Travelex Central Services Limited are currently all men and were excluded for this purpose. For frontline, the gap is more than halved, down to 21.3%. Although women hold about 2.5 times the number of managerial roles as men in the support functions, in the frontline, the greater headcount of women in non-managerial roles reduces the sensitivity to the outliers compared to men which somewhat distorts the mean pay gap in the overall reporting.

Again, we are proud that Travelex employs so many women and we continue to support them (as well as all of our colleagues) to grow in their careers and continue to tackle legacy trends. We also have standard pay rates for our frontline colleagues to reduce subjectivity and any potential macro environmental barriers – such as women entering same roles at lower rates than men.



As noted previously, our headcount proportion changed in 2022 and as result, we cannot easily compare with 2021 Quartiles. For clarity, the Quartiles are determined by organising our colleagues' hourly rates from smallest to largest (with both women and men combined in one list) and then dissecting the data into 4 equal parts. The number of men and women are counted in each quartile, and their proportion is shown as a percentage.

Upon review, our Upper Middle Quartile is the closest representation to our headcount (30% men and 70% women). If we consider a near 60% men and 40% women in our support roles, the Upper Quartile reflects this. Whilst the lower two quartiles reflect our frontline split of 25% men and 75% women, +/- 5-6%. We will continue to strive to meet a 50%-50% split in the Upper Quartile, and although we may not be able to change the retail industry's demographics (predominantly women) we will aim to have a closer proportion in our lower quartiles to our headcount.

What we are doing - actions for 2023 and beyond

Our figures continue to be impacted by recovery from the extraordinary events in 2020-2021. Nevertheless, we continue to focus on creating an environment that allows people to bring their whole selves to work and that allows people to strive regardless of their gender, and we are proud to see the success of our efforts reflected in the reduced median metrics. This environment benefits all our colleagues and we are committed to increasing diversity in the workplace across all aspects. We have an established Diversity, Equity and Inclusion (DE&I) Committee which has a strategy for 2023 and a plan to deliver this. We also have a clear wellbeing strategy that not only supports women but all colleagues across all levels along with our wider People initiatives and programs.

DE&I and Wellbeing

Part of the DE&I strategy includes global flagship campaigns, such as International Women's Day. In addition, unconscious bias training has been and continues to be delivered to managers. We launched a new menopause policy in 2022 to support our colleagues across the globe experiencing menopausal symptoms and to guide their line managers on how to support them. This has created a more open culture when it comes to talking about such health issues and how it can impact colleagues at work.

To drive a better work-life balance and flexibility, we have changed our ways of working to a hybrid model of two days in the office and three from home, with core hours from 10:00 am – 4:00 pm to

allow for varying schedules. We also continue to offer flexible shift patterns for our frontline colleagues working in the stores and airports. These initiatives are making it easier for women, who are often the primary carers, to also have a fulfilling career.

People Initiatives & Programs

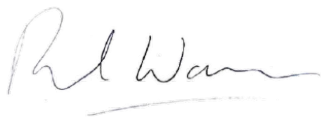
As part of our regular People calendar we have a number of initiatives to support the development of our colleagues such as regular performance conversations, career development plans and a clear competency framework to support career development here at Travelex. Work has started on a global mentoring program and one of the targeted groups is the next generation of female talent. We also plan to launch a management/ leadership development programme in 2023 which will reflect the diversity of our population and support the career development of those involved. Recruitment wise, we continue to ensure greater consciousness of the balance in all interview panels and recruitment shortlists, and ensuring there is no bias or gendered language when advertising new roles.

Lastly, as part of our business recovery we have been able to reinstate Compensation Specialists who are paying close attention to our pay practices and running robust, data driven calibrations for our company pay increases and bonuses processes so we can better understand our data and the areas we need to work on.

We confirm the data reported is accurate.



Clare Burns
Group HR Director



Richard Wazacz
CEO