



GENDER PAY GAP REPORT 2023

VALOR HOSPITALITY REPORTING ON BEHALF OF HICP LIMITED



“Having women in leadership positions is a key part of our strategy for success, we will continue to provide every team member with the support and development opportunities to achieve their career ambitions”.

Brian McCarthy,
President, UK & Europe

“Ensuring that we provide a workplace that is diverse and inclusive is at the heart of our philosophy. We are very encouraged to see our mean gender pay gap fall this year and we will continue to promote inclusion, flexibility and fairness in the workplace”.

Moira Laird,
Human Resources Director,
UK & Europe



THE GENDER PAY GAP IS DIFFERENT TO EQUAL PAY

The gender pay gap measures the difference in average hourly pay between women and men. Equal pay measures what women and men are paid for doing the same or similar work of equal value.

Valor Hospitality Partners manage and operate hotels on behalf of HICP Limited (HICP).

The business comprised of 17 hotels operating as HICP Limited during this reporting period.

The data used for mean and median hourly rates of pay, and the proportion of male & female employees in each quartile is based on 416 male and 339 female employees within an overall headcount of 990. There is 1 employee who has declined to provide their data and they have therefore been omitted from any calculations.

The HICP Ltd hotels understand the importance of having a diverse gender balanced workforce that represents different cultures, backgrounds and beliefs.

We are committed to creating a diverse and inclusive environment in which all our employees can thrive. We have implemented fair and transparent pay structures which reward the contribution of all our employees to our business.

Last year we recorded a combined median gender pay gap of 3.8% and a combined mean gender pay gap of 11%.

Our 2023 median gender pay gap has increased to 7.7% and our mean gender pay gap has decreased to 10.7%.

Our ongoing commitment to improving our gender pay gap remains a focus and planned activity falls within the scope of our DE&I strategic actions to continue to improve the sense of belonging for everyone and make further progress in enhancing and stabilising our gender pay gap figures.

Our median gender pay gap of 7.7% remains significantly lower than the current median gender pay gap for all employers across the UK of 14.3%.* Men and women continue to be relatively evenly represented across the lower three reporting quartiles of our business, with our focus being on improving the proportion of women represented in the upper quartile.

*Source: ONS



The Gender Pay Gap Regulations require that all private and voluntary sector employers with 250 or more employees must publish on an annual basis:

- Overall gender pay gap figures calculated using both the mean and median average hourly pay.
- The numbers of men and women in each of four pay bands (quartiles), based on the employer's overall pay range. This will show how the gender pay gap differs across the organisation, at different levels of seniority.
- Information on the employer's gender bonus gap, that is the difference between men and women's mean bonus pay over a 12-month period; and the proportion of male and female employees who received a bonus in the same 12-month period.

The existence of a gender pay gap does not automatically equate to the existence of an equal pay issue. The two issues are entirely distinct. An equal pay review in a previous reporting period found that there were no equal pay issues within the business and this is relevant today as there has been no fundamental changes.

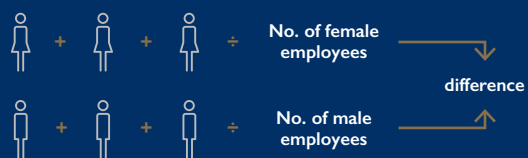


FROM
APRIL 2021

All private and voluntary sector employers with 250 or more employees must publish on an annual basis:

Overall gender pay gap figures calculated using both the mean and median average hourly pay

MEAN HOURLY PAY GAP



A "mean" average involves adding up all of the numbers and dividing the result by how many numbers were in the list.

MEDIAN HOURLY PAY GAP



The difference = median hourly pay gap

A "median" average involves listing all of the numbers in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

Our analysis

- Our median gender pay gap is 7.7%
- Our mean gender pay gap is 10.7%

The HICP Limited salary quartiles are:

SALARY QUANTILES	% Male in quartile	% Female in quartile
Quartile 1	41.3%	58.7%
Quartile 2	53.4%	46.6%
Quartile 3	59.8%	40.2%
Quartile 4	66.0%	34.0%





WHY DO WE HAVE A GENDER PAY GAP?

Within HICP there is a higher proportion of females working within the lower quartile 1. This trend is reversed in the higher paid quartiles 2, 3 and 4. Our focus is on improving the number of women in supervisory and leadership positions by increasing the number of hybrid working opportunities, and embracing technology to allow further accommodation of flexible working. The upper quartile is predominantly made up of male General Managers, consistent with the trend within the hospitality industry, and our goal is to further improve the representation of women in this role, which we have increased by 50% in this reporting period.



FEMALE REPRESENTATION IN THE WORKFORCE

We are pleased that overall female representation across our business has remained strong, with women accounting for almost half of the overall employee population (47%) in this reporting period, an increase from 46.4% last reporting period.

MEDIAN
gender pay gap is

7.7%

MEAN
gender pay gap is
around

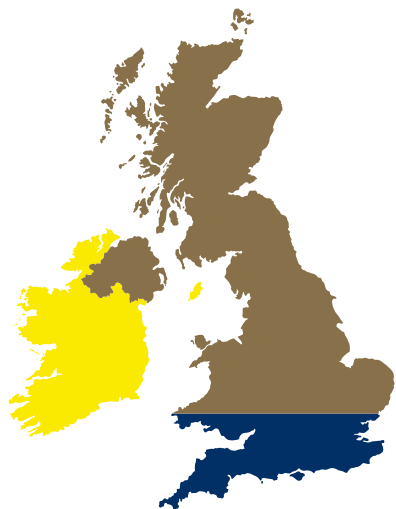
10.7%



47%

**workforce
are women**

The Office for National Statistics (“ONS”) prefers to use the median figure because it is not distorted by a small number of higher earners within a business.



**THE MEDIAN
PAY GAP FOR
ALL EMPLOYERS
IN THE UK WAS
14.3% IN 2022/23**

ACCORDING TO THE
OFFICE OF NATIONAL
STATISTICS (ONS)

(Correct at the time
of going to print)

**Our median pay gap continues to be significantly less
than the national average at 7.7%**





Women's bonus pay is

31.9% higher (mean)

0% Equal (median)

Who received a bonus

32% of
male employees

42% of
female employees

The reason that the mean bonus payment received by women was higher than the mean bonus payment received by men is as follows:

This year we have seen 10% more females than male employees receiving a bonus. This equates to 27 female employees, representing a larger bonus pot than their male colleagues, which significantly impacts the mean bonus figure. There is no median gap between male and female workers bonus pay.



WE ARE COMMITTED TO TAKING ACTION TO CLOSE THE GAP

- **Helping women progress to senior manager or function specialist roles:**

We have introduced 4 leadership development pathways, starting at supervisory level. These are run as modular courses allowing flexibility as to when they are attended, which will help to accommodate more female workers.

- **Attracting, advertising and internal promotions:**

Having already re-written recruitment and advertising materials to ensure no conscious or unconscious bias deterred potential applicants, we continue to create a fair and inclusive environment for all.

In the tender process for our new Applicant Tracking System, we considered the system's ability to offer better statistical data on the gender of applicants attracted, and the ability of the software to review advert wording to ensure no gender bias.

Workvivo, our newly introduced internal communications platform, will continue to be used to share all vacancies and publish articles highlighting successful female careers within the business.

- **Implementing DE&I recommendations:** Following the findings of our global DE&I working group, we are committed to implementing their recommendations. These include gender pay related activities such as implementing a Menopause policy and creating an Infinity Group to represent the voice of all diverse groups within the business.

- **Engagement survey:**

We have enhanced our employee engagement survey to allow us to identify satisfaction factors attractive to female workers. This information will be used to attract more women to join or progress within the company.

We continue to implement support for female workers, and we will be focusing on the following areas:

- Implementing progressive workplace policies to enable greater flexibility and flexible working.
- Continuing to develop the internal management talent pipeline.
- Expanding existing talent pools by working on our employer brand strategy.
- Carefully considering the language of job adverts.
- Continuing the UK strategy to work on the action plan following the findings of our global DE&I working group.
- Building an inclusive culture to ensure that tackling disparity is central to everything we do.
- Incorporating hybrid working wherever possible and appropriate.

I confirm that our gender pay gap calculations are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. For and on behalf of HICP Limited.

Brian McCarthy,
President

Moira Laird,
Human Resources Director