



WW GBR Limited

Gender pay gap report 2018



*Natasha Boxill,
Wellness Coach*



Josie Mortimer,
People Director

*NB: All figures referencing current
snapshots are correct as of October 2018

Our view

We have always been the world's leading commercial weight management programme, but in 2018 we became WW - the new Weight Watchers. We are putting our decades of knowledge and expertise towards an even greater mission - to become the world's partner in wellness. Our purpose is defined by principles of inclusivity - deepening and expanding our communities, diversity and equality - always remaining human driven.

These principles are intertwined within our business, not only for our members but also our employees. We are committed to ensuring this is reflected in the profile of our people and the opportunities they have to develop fulfilling careers with us.

Current snapshot

Our first gender pay gap report, published in March 2018, showed that over 96% of our team were women, and in our 'Coach' roles (now Wellness Coaches), which make up the majority of our colleagues, we were 98% female - indicating that we were under-represented in men across the organisation.

At the time of preparation for this report (October 2018), we have increased the number of male employees by 12% and specifically within our Wellness Coach population, we have increased our male employees by 16.7%.

In comparison with many other UK companies, we do not have an issue recruiting, retaining or developing women's careers to senior level. Our female strong workforce across every level is currently at 95.8% women. This unique profile skews our gender pay gap data.

Going forward, we will continue to address this and create a greater gender balance. We need to continue to be a great place for both men and women to work and develop their careers, but we also need to attract more men into WW roles.

Our focus

Our focus remains the same, not changing headline numbers for the sake of statistics, for example, fitting people into roles to improve the data, which is unhelpful and regressive. But making WW a rewarding and a great place to work for our current and future employees.

Josie Mortimer,
People Director





Monica Masson,
People Advisor

- **Our UK business employs a total of 1,335 people.**
- Of those – and forming the majority of our employees – **1,194 are Wellness Coaches.** The flexible nature of this role, which allows team members to work part-time alongside other commitments, whether that's another job, studying, or raising a family, **attracts a predominantly female demographic.**
- In contrast, **our HQ team is more gender balanced,** but still with a female-strong Senior Leadership team. We have 141 people working in function and business management roles, including our Area Service Managers.
- We are passionate about developing our employees – **60% of our current HQ population and 21% of our current Wellness Coach population have been promoted.**

Measuring the gap

To understand gender pay gap reporting, the following is a quick explanation of how it is calculated in line with the Government's reporting requirements.

What is the gender pay gap?

The gender pay gap refers to the difference in average pay of men and women, across an entire organisation, sector or economy. The comparison does not factor in differences like job titles, or the number of men or women in a business. It is not, therefore, an equal pay comparison, which involves a direct comparison of a man and a woman employed to do 'like for like', or equivalent, work.

At WW we are committed to ensuring equal pay through regular monitoring and analysis, which includes another extensive salary benchmarking exercise which is currently underway.

What's the difference between the mean and the median gap?

The mean pay gap is the difference between the hourly pay of all male and female employees when added up separately and divided by the total number of the males and females in the workforce.

The median pay gap is the difference between the pay of the middle male and middle female, when all of the employees are listed from the highest to the lowest paid.

What are pay quartiles?

We also report on the percentage of men and women in four notional, equal-sized pay quartiles (lower, lower middle, upper middle, upper).

What about bonuses?

These median and mean calculations are also applied to the bonus sums rewarded to our colleagues over a twelve-month period. The percentage of male and female colleagues awarded a bonus is also included in our report. At WW, our bonus, recognition and reward approach is tailored to specific roles, but the government reporting structure requires all bonuses across the business to be compared into one average figure.

How are the figures calculated?

The data for mean and median pay, including bonuses, and the quartile pay bands are based on data from April 2018. The hourly pay includes basic pay, and includes pay for leave. Overtime, redundancy and pay in lieu of leave are not included.



Kirsty MacArthur,
L&D Manager
and Carly Russell-Smith,
Comms & Engagement Manager

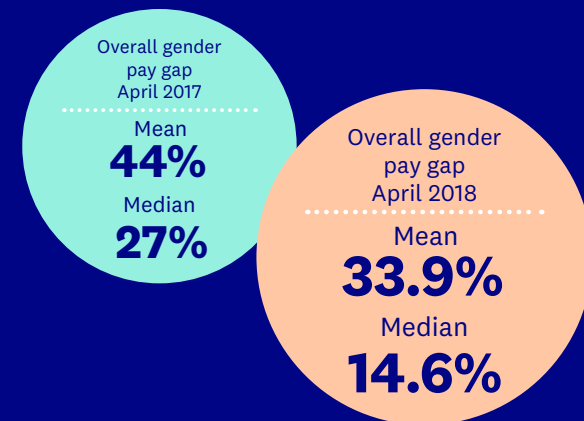
Our numbers

At WW, we are currently a predominantly female team, particularly within our Wellness Coach population. Our male demographic makes up just 4.2% of our total workforce.

Since the publication of our first Gender Pay Gap report in March 2018, **we have increased our total number of male employees by 12%; and specifically within our**

Wellness Coach population by 16.7%. From the 2017 gender pay gap snapshot date, to today, the majority of our male employees has shifted from being HQ-based, to within our Wellness Coach population.

However, the small number of men in our organisation that occupy roles in HQ, from Finance to Marketing, are some of our higher paid functions. Our Senior Vice President & General Manager, until his departure in February 2019, was also a man. As a result of this, the overall profile looks like:



Our gender pay gap is influenced by 2 key factors:

1 Under representation of men across the organisation particularly within our Wellness Coach roles. As we grow our membership base and attract more men, this profile is changing and this will reduce our gender pay gap figures.

For example, **by hiring 10% additional male Wellness Coaches, which is in-line with our growth ambitions, our mean gender pay gap would be reduced to 6.9%.**

However, we'll always select the best candidate for the job, rather than use positive discrimination to manipulate our figures.

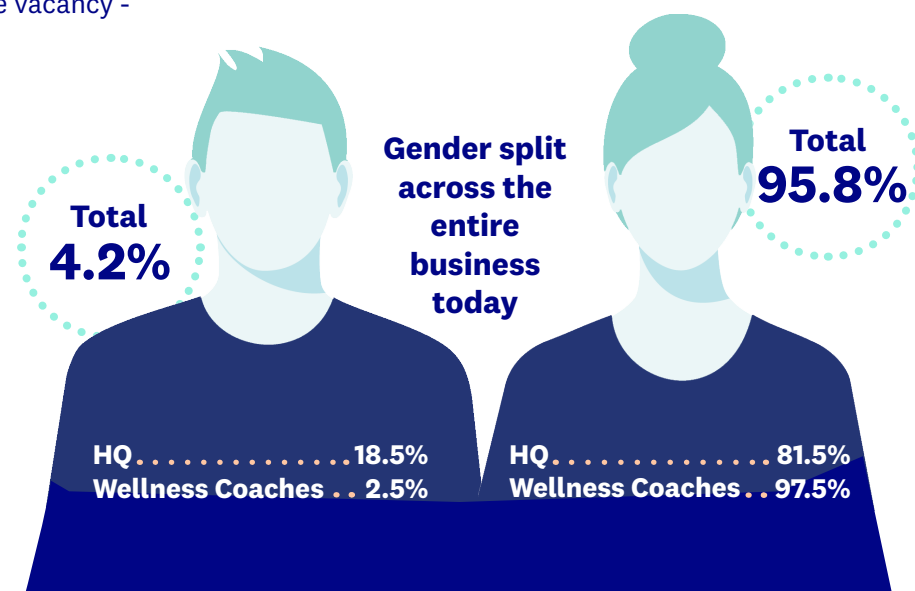
2 Within our last report, we stated that the timeframe of the government reporting was a period when one of our most senior and, therefore, higher paid roles in the UK business was vacant. As a result, this skewed our Senior Leadership team to a male profile. Today, as we estimated in our 2017 report, of our six Senior Leadership roles, four are held by women - one by a man and one vacancy - and our gap has reduced.

We want to be as transparent as possible and share data that goes beyond the government requirements. To help give a fuller picture of our business, if we look specifically at the data in our Wellness Coach population - where we have the largest number of employees - our **mean gender pay gap is -6.2%, in favour of women, and our median gender pay gap is 1.3%.**

Wellness Coach gender pay gap

Mean
gender pay
-6.2% gap

Median
gender pay gap
1.3%

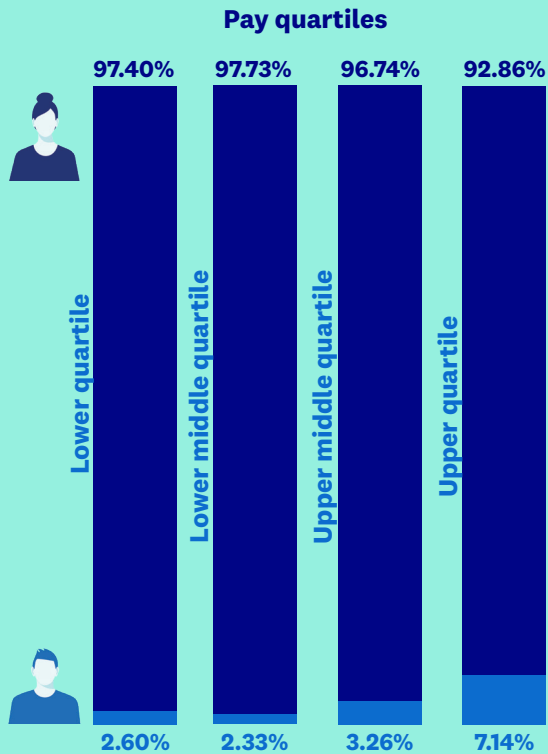


Our numbers

Gender bonus pay gap April 2018

Mean
92.6%
Median
75.8%

Averaging our bonus data from two different reward and recognition models



Bonus mean and median gap

At WW, our bonus structure varies across functions. In our HQ, the bonus package is calculated annually based on a number of factors, including global revenue, regional operating income and personal performance against SMART objectives. For our Wellness Coaches, the reward and recognition package is specific to the nature of their role. We have a number of incentive bonuses rewarded on a monthly and quarterly basis. Each month our top three performing Wellness Coaches can double their earnings for that month through these rewards.

Since our last report, a new measurable bonus target has been introduced – the Member Satisfaction bonus, which has influenced the number of Wellness Coaches receiving a bonus. As a result, we have more than doubled how many people now receive a bonus within this population.

Averaging our bonus data from two different reward and recognition models, **77.1% of our male colleagues and 86.8% of our female colleagues received a bonus (+23.0% for men and +50.8% for women). Our mean gender bonus gap is 92.6% and our median gender bonus gap is 75.8% which is down - 11.2% from our 2017 report.**

As part of the compensation and benefit package of the senior management team, they are entitled to receive share equity during their employment. In the 2018 gender bonus gap period, three of the senior management team exercised their right of this benefit, one of which was our

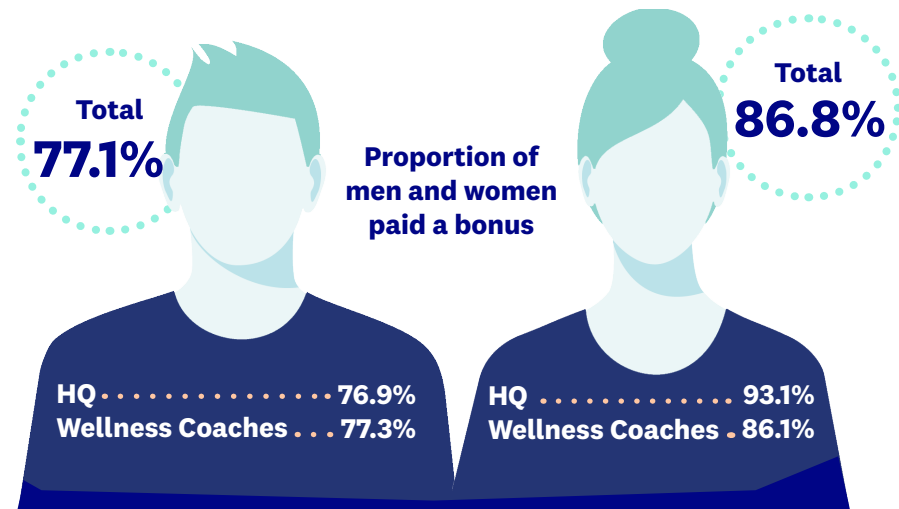
former SVP and General Manager, who is a man. Therefore, this has impacted the male average bonus paid significantly.

Although most of the men employed sit in our Wellness Coach population, the men employed within HQ are typically in higher paid functional roles, therefore supporting the skew of our numbers.

Like our median and mean pay gap figures, our bonus data in this reporting period is also skewed by the typically higher paid functional roles that our small population of male employees occupy.

Our two types of bonus schemes have been developed to meet the reward and incentive needs of different roles. This can make bonus comparisons across the business difficult, as they are not 'like for like'.

In summary although our mean has gone up due to the exercising of shares, if you focus on the median, you can see closing of the gap by 11.2% year on year.



Reducing the gap

As a business, we will always challenge ourselves to be an inclusive and diverse workforce and, ultimately, a great place to work for everyone. We have 5 key focuses:

1 Supporting diversity

We are committed to increasing the diversity of our business and creating an inclusive workplace culture where everyone can reach their full potential. This not only reflects our changing membership profile and the communities we work in, but we know it is also good for business success too. Diverse and gender balanced teams are proven to deliver stronger business outcomes.

With our move from a primary focus on weight management to a holistic wellness approach by helping people adopt healthy habits and improve their wellbeing, we are attracting more men to our membership and in turn this broader sector positioning will attract more male colleagues. Over the next two years we anticipate our Wellness Coach team will grow and we will attract an increasing number of male Wellness Coaches into the business.

2 Career progression

We need to balance our desire for a more gender balanced workforce with our commitment to supporting the career development of our existing team. Today, four of our six Senior Leadership roles are occupied by women. Many of these leaders grew their careers with us and have been in the organisation for nearly ten years between them.

We'll always select the best candidate for the job, but if a new position becomes available, we start by advertising it internally to make sure we're giving our home-grown talent opportunities for career development. Our WW L&D opportunities nurture progression for all our employees, regardless of their gender.

3 Avoiding unconscious gender bias

We are committed to ensuring that wherever possible we have an equal balance of male and female candidates for any vacancy or new role. We will support this by assessing the language we use in job descriptions and recruitment campaigns to make sure there is no unconscious gender bias. We seek to always make our interview panels representative and gender balanced.

4 Fair and competitive salaries

Ensuring our compensation is fair is a priority for us and we're confident our teams are rewarded appropriately for their hard work. We undertook an extensive salary benchmarking exercise in 2016, and again in 2018 to refresh the market information, ensuring WW keeps up to date on the market values. We've worked hard to provide consistency and fairness within our pay and bonus decision-making process, ensuring remuneration is based on market data and performance.

5 Flexibility, wellbeing and work-life balance

We're passionate advocates of flexible working, with hours that fit around other commitments, and opportunities to work part-time open to all of our colleagues. We're delighted that over half (60%) of maternity leavers' have come back into the business. Traditionally our Wellness Coach roles tend to be part-time or offer flexible hours, allowing the team to manage their time alongside other commitments, whether that's another job, study or family life.



Andrew Brearley, Head of Customer Experience Development

I started at WW in 2011 managing the Communication process to our Ops team with no direct reports. During my time within the business WW has invested heavily in my development, supporting me with both 'on-the-job training' and specialised learning opportunities through our internal career progression training. I am now a member of the management team leading seven people, and accountable for delivering a fantastic UK customer experience.



Tracy Suff, PA to Senior Management Team

Every Wellbeing Wednesday, I have a piano lesson before work and start the work day 30 minutes later than usual. I played the piano as a child but stopped in my teens. I've been quite surprised at how much of an effect learning to play again has had on my mental wellbeing. I now find I start the day much more refreshed, calm, and happy as a result of a little tinkling on the ivories mid-week. WW supports me by offering flexible working hours and also I use my WW Wellbeing Allowance to pay for my lessons.



Imogen Prescott, Brand Marketing Manager

The flexibility that WW gives me around when, and where, I work has enabled me to relocate to Devon where I am now home-based. I have a brilliant work / life balance – I'm able to be more adaptable when it comes to helping my husband out with the school run, and I feel like I actually get to see my kids during the week! As a parent with young children, being able to say yes to school assemblies or parent activity sessions means the world to me.



Simon Booth, Head of Learning & Development

I joined WW nine years ago as a Regional Trainer and have had great opportunity to progress in that time. I've gained professional qualifications in L&D that enabled me to move into design and business partnering roles. I also got the opportunity of a secondment in the Head of L&D role as part of maternity cover. This helped me develop my skills to be able to take the role on a few years later.





Corinne Pollier
President International

Disclosure

At WW we are dedicated to creating an inclusive workplace culture where everyone can reach their full potential. Since our last report we have challenged ourselves to reduce the gaps; we have increased the total number of male employees by 12% and four of our six senior management roles are now held by females.

However, we recognise that much more needs to be done to completely close the gap. Our focus remains the same – not to focus on changing headline numbers for the sake of statistics but to continue to support inclusion and diversity amongst our people, at the same time as giving our teams fulfilling and rewarding careers.

As President International at Weight Watchers International, Inc., I, Corinne Pollier, confirm that the information contained herein is accurate.

Corinne Pollier
President International





*Shasita Shan,
Field Support Coordinator*