



WEIGHT WATCHERS UK GENDER PAY GAP REPORT 2017

JENNY HYLAND,
HEAD OF TRAINING



OUR VIEW

Since we were founded in the 1960's we have championed and celebrated the power of women in our business and as a result, women's careers have flourished at Weight Watchers for many decades. We therefore welcome the Government's commitment to improve diversity and gender equality in the work place and we support the reporting of gender pay gap information as an important step to drive change.

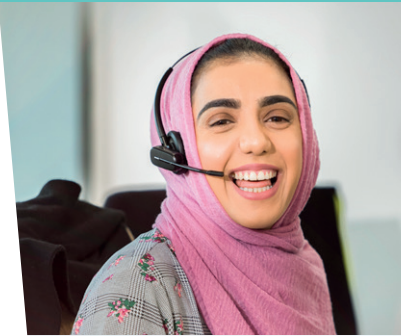
Reflective of our members and our early heritage, we have attracted more women into our business across all functions and levels. Today, 96% of us are women, and in our Coach roles, which make up the majority of our colleagues, we are 98% female. We are proud of our strong track record of retaining our people and growing their careers, and as a result we continue to have a strong female employee profile.

In comparison with many other UK companies, we do not have an issue recruiting, retaining or developing women's careers to senior level. However, our female strong workforce across every level means that we have a much lower percentage of male employees, and the few males we do have in our organisation (4%), mainly occupy roles in our Head Office.

This unique profile skews our gender pay gap data. To address this and create a greater gender balance, we need to continue to be a great place for women to work and develop their careers, but we also need to attract more men into roles at Weight Watchers, particularly across our Coach population.

Our business purpose and strategy is defined by the principles of inclusivity, diversity and equality. We are therefore determined to ensure this is reflected in the profile of our people and the opportunities they have available to develop fulfilling careers with us. We will not do this by over focusing on trying to change headline numbers for the sake of statistics, for example by trying to fit people into roles to improve the data. This could be unhelpful and even regressive. Instead, our focus will continue to be making Weight Watchers a rewarding and great place to work for our current and future employees.

JOSIE MORTIMER
HR DIRECTOR



CLOCKWISE FROM TOP LEFT:
SHASITA SHAN, RACHEL DE LANGE, NICOLE HUNTER, DANNI ADAMS, ANDREW BREARLEY,
ZOE LYSANDROU, RAELENE HOPE, MARCUS GLAZEBROOK, SHELLEY FLETCHER



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 Weight Watchers we are committed to ensuring equal pay through regular monitoring and analysis, which included an extensive salary benchmarking exercise in 2016.

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 Weight Watchers, 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 2017. The hourly pay includes basic pay, and includes pay for leave. Overtime, redundancy and pay in lieu of leave are not included.



FROM LEFT:
GRACE JOHNSON, FOOD DATABASE ASSISTANT
RAY KAUR, FOOD DATABASE NUTRITIONIST

A SNAPSHOT OF OUR BUSINESS TODAY:

Since 1963, we've inspired people to come together and begin a journey of positive, lasting change to improve their health and wellbeing.

- In the UK we employ a total of 1,298 people.
- The majority of our employees are Coaches, with a total of 1,156 across the country. Traditionally our Coaches tend to be part-time or flexible roles, allowing the team to manage their time alongside other commitments; whether that's another job, study, or juggling family life. As a result, this role has been very attractive to women and the demographic of this group is currently predominantly female.
- Our team in our Head Office in Maidenhead is more gender balanced, with a female-strong Senior Leadership team. We have 142 people working in function and business management roles, including our Area Service Managers.
- We are passionate about developing our employees – 59% of our current Head Office population and 21% of our current Coach population have been promoted.



UNDERSTANDING OUR NUMBERS

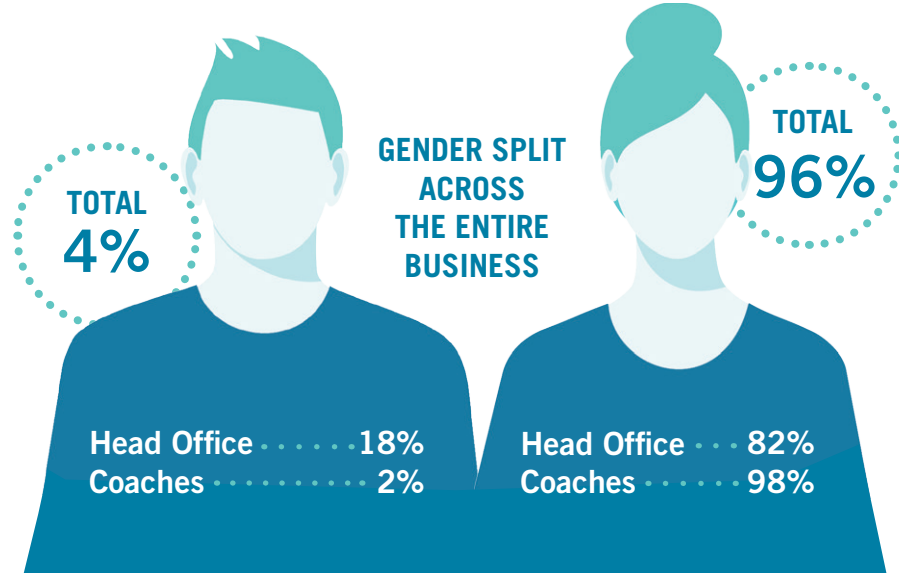
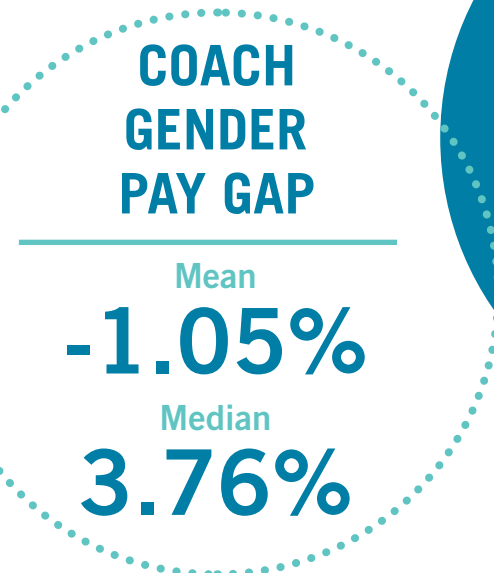
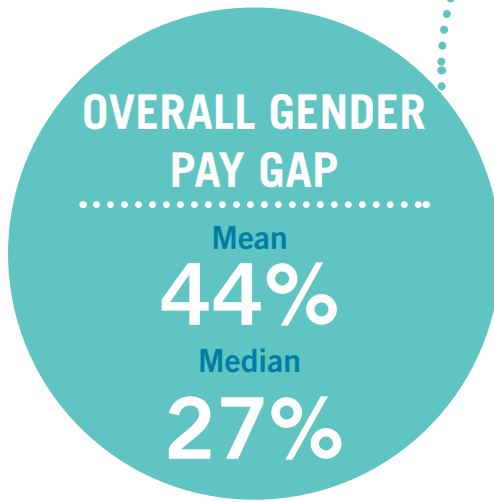
At Weight Watchers, we are currently a predominantly female team, particularly in our Coach population. In contrast, our male colleagues make up **just 4% of our total workforce**. In addition, the very small number of men in our organisation mainly occupy roles in our Head Office, from finance to marketing, which are some of our higher paid functions. Our Senior Vice President & General Manager is also a man. As a result of this overall profile, **our mean gender pay gap is 44%** and **our median gender pay gap is 27%**, in favour of men.

However, these headline statistics do not reflect the fact that, unlike many other companies, **we do not have an issue with recruiting, retaining or developing women's careers to senior level**. Our gender pay gap is influenced by two key factors:

1 Under representation of men across the organisation, particularly within our 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 just over 100 additional male Coaches (representing 10% of our Coach roles), which is in line with our growth ambitions, our mean gender pay gap would be reduced to 6.98%**. However, we'll always select the best candidate for the job, rather than use positive discrimination to manipulate our figures.

2 The timeframe of the government reporting was a period when some of our most senior, and therefore higher paid, roles in the UK business were vacant. This skewed our Senior Leadership team to a male profile. Today, of our six Senior Leadership roles, four are held by women. As a result, we estimate that if we were to report on our figures for the period of April 2018, our gender pay gap would already be dramatically 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 Coach population, where we have the largest number of employees, our **mean gender pay gap is -1.05%, in favour of women, and our median gender pay gap is 3.76%**.



UK GENDER PAY GAP REPORT 2017



BONUS MEAN AND MEDIAN GAP

At Weight Watchers, our bonus structure varies across functions. In our Head Office, 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 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 Coaches can double their earnings for that month through these rewards.

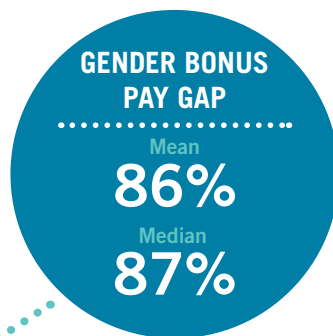
Within our Head Office and across our Area Service Managers and Training Managers, **97% of women and 75% of men received a bonus in the reporting period**. In our Coach teams, equal numbers of men and women received a bonus in the reporting period (**approximately 30%**).

Averaging our bonus data from two different reward and recognition models, **54% of our male colleagues and 36% of our female colleagues received a bonus**. Our **mean gender bonus gap is 86%** and our **median gender bonus gap is 87%**, in favour of men.

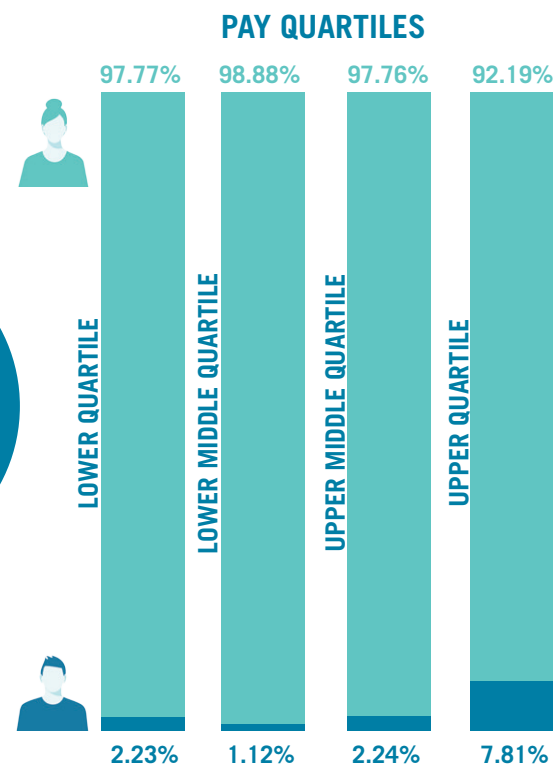
Within our Coach population, the **mean gender bonus gap of -80%** and **a median gender bonus gap of -900%**, in favour of women, in keeping with the demographic of this group.

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 data is additionally impacted the vacancies in our Senior Leadership team, which have since been filled by women.

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'.



Averaging our bonus data from two different reward and recognition models



PROPORTION OF MEN AND WOMEN PAID A BONUS



Head Office 75%
 Coaches 29.4%

Head Office 97%
 Coaches 29.7%

We have a strong history and track record of attracting and growing the careers of women to our most senior roles. As a result, we continue to have a strong female employee profile across all levels of our business.

To address our current gender pay gap statistics, one way would be to simply focus on greater gender balance by attracting more men to careers at Weight Watchers, particularly across our Coach population.

While we are increasingly attracting more male Coaches to meet the evolving profile of our members, our approach will always be to find the best candidate for the job, regardless of gender.



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 GENDER DIVERSITY IN OUR WORKFORCE

We are committed to increasing the gender diversity of our business. 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 more holistic 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 Coach team will grow and we will attract an increasing number of male Coaches into the business.

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.

2 CONTINUING TO SUPPORT STRONG 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 Weight Watchers Journeys programme nurtures progression for all our employees, regardless of their gender.



REBECCA STONE, AREA SERVICE MANAGER

"Weight Watchers supported my CIPD in Learning and Development and 12 months ago I made the move from the HR & Training Dept into the Operations Department as Area Service Manager – I now have the pleasure of managing a team of the Coaches that I had worked alongside when I first joined the company and I love it!"



TAIBA SHAN, FIELD SUPPORT COORDINATOR

"I joined as a temp in the admin room; I was born deaf so the role was an ideal stepping stone into the working world. It was through my dedication to excel, and the endless support from my team and others at Weight Watchers, that I was promoted to Field Support Coordinator."

JULIA WESTGARTH, HEAD OF PUBLISHING AND CONTENT

"After my own personal experience with Weight Watchers as a brand, I was so inspired that I trained to become a Coach. I loved the flexibility of my role, which meant I could fit my hours around my children. In 2012 I was ready to return to work full time and I am now a member of the Management team, overseeing a team of 9 employees."





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 last year we also completed a comprehensive compensation review for our Coaches, working collaboratively with a consultative forum from the Coach population, to develop a model that better suited their needs. 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 are open to all of our colleagues. We're delighted that over half (60%) of maternity leavers' have come back into the business. Traditionally our 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.

DISCLOSURE

We are committed to ensuring a diverse, gender balanced workforce where everyone can succeed and we recognise there are things we need to do to reduce our gender pay gap and are committed to that. We know that since the reporting date our gender pay gap has already been significantly reduced. And importantly we are confident that any gap is not due to an equal pay issue.

We are putting health and wellbeing at the heart of everything we offer, and our global ambition is to help ten million people adopt healthy habits. To achieve this, we remain dedicated to attracting and retaining the very best talent to our business. We take great pride in our female strong workforce across every level of our business. At the same time, we also want to enhance our gender diversity to reflect and best support and encourage our members, and in turn their families and their communities.

I am very proud that our commitment to be a diverse, flexible and satisfying place to work was recognised when Weight Watchers was listed in this year's Sunday Times 'Top 100 Best Companies to Work For', as well as being honoured as one of the UK's 'Best Places to Work' in the Glassdoor Employees' Choice Award 2018.

As Senior Vice President and General Manager of Weight Watchers UK, I, Chris Stirk confirm that the information contained herein is accurate.

CHRIS STIRK
SVP & GENERAL MANAGER UK



MARCUS GLAZEBROOK, SENIOR FINANCE MANAGER

"Flexible working fits my lifestyle perfectly; it allows me to watch my son's school football matches and I'm able to take my daughter to school more frequently, which means I'm more actively involved in both of their school lives. It also means I can take some time to hit the gym, which is always a good thing!"



JOSIE MORTIMER, HR DIRECTOR

"I joined Weight Watchers in November 2013. I've moved through the ranks and when I returned in March 2016, after taking shared parental leave, I was promoted to HR Director. I love my role and believe we truly listen to our employees, which makes this a great place to develop your career."



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SARAH BARNES,
COACH

