

Iglu.com Gender Pay Gap Report 2017

This report focuses on gender pay within Iglu.com, between April 2016 and April 2017. It sets out the difference in hourly pay between men and women across the organisation, as well as other required data.

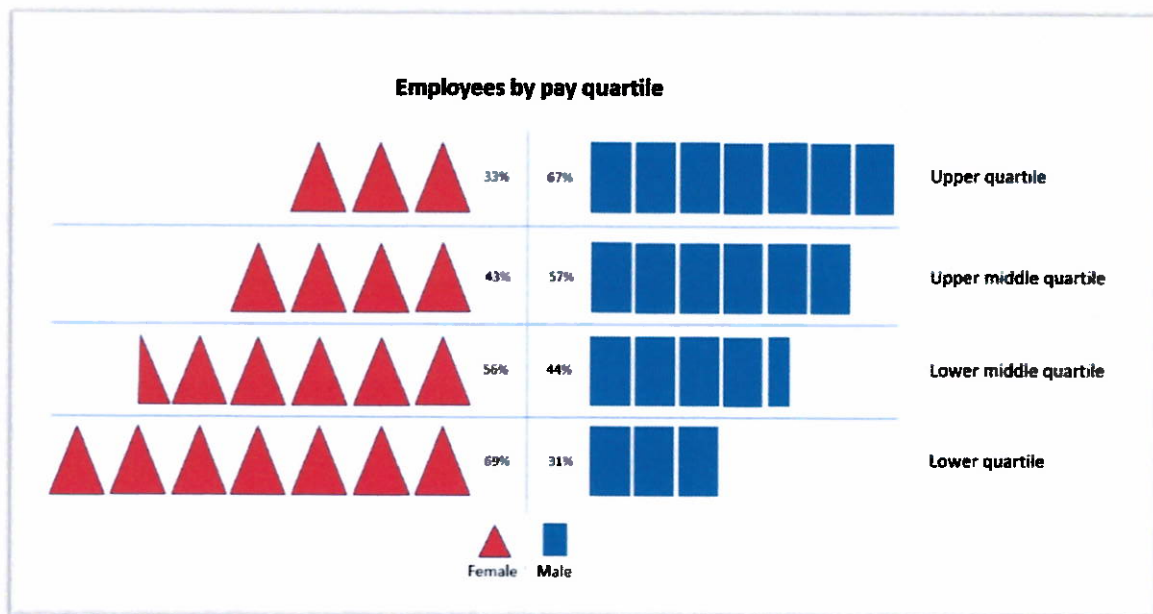
As required by the Equality Act 2010 Regulations 2017, we will publish this data on an annual basis. This will allow us to track our progress and articulate the actions that we will take to reduce the gender pay gap in our organisation.

Gender Pay Gap

At the time of the report, Iglu.com had a mean gender pay gap of 38.1% and a median pay gap of 42.9%. We are determined to take action to address this.

The first step we needed to take was to identify the reasons behind the gap to understand what we must do as an organisation to improve.

In April 2017 Iglu.com employed a 50:50 split of men and women. However, there was a significant imbalance in the ratios of men and women at the higher and lower quartiles of the population. We have significantly more men in higher paid roles, and more women in lower paid roles, as shown below:



There are two key factors that have created our gender pay gap:

- (1) Our gap is skewed by a higher proportion of men in senior positions, including in departments that attract higher average salaries overall. The high number of men in the higher quartile increases the average male earnings overall and therefore increases our gender pay gap;
- (2) We have many more women than men in the lower-earning quartile. The high number of women in the lower quartile pulls down the average female earnings overall and therefore increases our gender pay gap.

A gender pay gap will exist where an organisation has an unequal balance between men and women at different pay levels in the organisation.

Is the Gender Pay Gap an issue throughout the Organisation?

Our gap is clearly driven by the fact that in the Upper Quartile of our organisation, women only represent 33%, but represent 69% of our Lower Quartile. If we look at the gap within each of the 4 Quartiles the numbers are as follows:

Quartile	Mean Gender Gap	Median Gender Gap
Upper Quartile	18.2%	4.5%
Upper Middle Quartile	1.2%	-0.3%
Lower Middle Quartile	1.4%	3.4%
Lower Quartile	-11.9%	-10.2%

If we look by department, the biggest department we have in Iglu.com is our Sales function. If you look at the Gender Pay gap in Sales, we had a 2.6% Mean gap, 1.5% Median gap.

Is the Gender Pay Gap an issue throughout the Industry?

In 2013, Equality in Tourism published a report highlighting the discrepancy between the number of women in the tourism workforce and their appointment to company boards. They found only 15.8% of all board members were women of the companies surveyed, with more than 25% of companies having no female representation at board level.

A further study carried out by the School of Business & Law with AWTE (Association of Women Travel Executives) in 2015 reported that while 60% of employees in the tourism and hospitality industries are women, the number of female board members was 26%.

On our board we have 8 members, three of which are women, giving us 37.5% representation. The fact that the industry as a whole seems to be improving is positive, however it is clear that there remains scope for further growth in the representation of women at a senior level within our industry, and our organisation.

Non-Executive Roles

It is our understanding we are to include any Non-Executive Roles within our organisation, which we have done. It should be noted that if this assumption is incorrect, removing our Non-Exec moves our numbers to a mean gap of 25.2%, median gap of 42.3%.

Definition of Equal Pay

Employers must give men and women equal treatment in the terms and conditions of their employment contract if they are employed to do 'like work' - work that is the same or broadly similar, work rated as equivalent under a job evaluation study or work found to be of equal value in terms of effort, skill or decision making. We are confident we do not have an equal pay issue within our organisation.

Gender Pay Versus Equal Pay

We are confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Our gender pay gap is the result of the roles in which men and women hold within the organisation. For there to be no gender pay gap, there would need to be an equal ratio of men to women in each Quartile. As mentioned previously, we have much work to do to get a better balance.

Gender Bonus Gap

Our mean bonus gap in April 2017 was 40.4%, with the median at 82.2%. Again, numbers we need to firstly understand and secondly address.

The factors that appear to be driving these numbers are more complex – again, the gender imbalance within the organisation is the main driver, but we also have evidence to show that length of service drives this gap. The majority of our bonus payments are made on a commission basis, and experience appears to factor into commission earning. The top Quartile of bonus earners have an average length of service of almost 6 years and 5 months, whereas our bottom Quartile of bonus earners have an average length of service of 2 years and 4 months. We have clearly been recruiting more women than men over the last few years, which I hope will mean the bonus gap will naturally become smaller as our new starters gain experience.

For those employees that are on a more traditional bonus scheme which links bonus payments to a percentage of their salary, the gender imbalance at the top of the organisation means these numbers are skewed once again by the high number of males at the top of the organisation.

What are we doing moving forward?

At Iglu.com we believe that having a balanced and diverse workforce is important, and it is something we aspire to have. This will be a complex journey and is not one single process or project. We recognise that it may take several years before we see an impact on the gap within our business but we're committed to working towards improvements.

Actions

These are some of the things we have done and will continue to do to address our gender pay gap:

- A new Head of HR role has been created and recruited in March 2018. The focus of this role will ensure that People and Culture sit at the forefront of the employees, managers and Directors' agenda.
- We have restructured the top of our organisation which now means we have a 50:50 split of males/females in our top 10 salaries;
- We will review all recruitment practices to ensure our candidate pools are diverse, our recruitment advertising isn't biased and our selection process doesn't favour one gender over another;
- We will re-evaluate our internal progression & promotion opportunities to ensure they are solely based on performance and potential without gender bias;
- We will ensure our recruitment suppliers/agencies provide diverse candidate lists;
- We will continue to regularly undertake reviews of pay, bonus and commission policies and use these reviews to influence the work we need to carry out to improve.

We truly believe this process has been valuable for us and many other companies in prompting us to take a closer look at the gender balance throughout our organisation. We have much work to do, but we are committed to making progress.

Signed,



Phillippa Starmer
Head of HR



Richard Downs
CEO