

Gender Pay Gap Report 2020

HYATT REGENCY LONDON – THE CHURCHILL

In March 2020 the Coronavirus pandemic started to severely impact our industry.

The furlough scheme was introduced by the Government as a job retention mechanism to support companies adversely affected by the crisis. The company utilised the scheme for the bulk of its employees (given the closure of hotels at the time), which meant 94.3% of our employees were on furlough leave on the snapshot date of 5 April 2020.

The guidelines for Gender Pay Gap reporting require employees who received less than full pay in the period covering the snapshot date to be excluded from certain calculations. This unfortunately means that only those that were NOT on furlough leave at the time are included in the average (mean) and median Gender Pay Gap calculations and the figures for the percentage of men and women in each pay quarter. In our view, this means that the data we are publishing is not a current reflection of the composition of the company at large, as it is based on just 17 of our 296 employees.

Since releasing our Gender Pay Gap report in 2017, through 2018 and in to 2019 we have made real progress towards closing our pay gap from 15.3% in 2017 to 7.8% in 2019.

At Hyatt, we believe in our purpose, to care for people so they can be their best and that includes taking action to create and sustain a culture where our colleagues at every level of our organisation feel valued.

Whilst we take a holistic approach to Diversity, Equity and Inclusion, reducing any gender pay gap is a priority for our organisation and our hotels. We've laid a strong foundation – from our Women@Hyatt Diversity Business Resource Group to our focus on diverse leadership development – and our work is ongoing. Supporting these important initiatives reinforces our commitment to embedding diversity, equity and inclusion into all areas of our business.

Hyatt Regency London – The Churchill is currently managed by Hyatt. The owner of the hotel business and the employing entity for Hyatt Regency London – The Churchill is Churchill Group Limited.

In its capacity as Management Company of the Hotel, Hyatt has elected to report on the Gender Pay Gap at the Hotel.

In this report, we provide gender pay gap information for Hyatt Regency London – The Churchill.

MEASURING THE PAY GAP

The gender pay gap is the measure of the difference between men's and women's hourly earnings. The gender bonus gap is the difference in all incentive pay received by men and women in the 12 months up to April 2020. This includes bonuses and commission payments.

The gender pay gap does not measure equal pay, which relates to what women and men are paid for the same or similar jobs or work of equal value. Equal pay is a legal requirement that ensures men and women performing the same work are paid the same.

OUR RESULTS

Gender Pay Gap

The analysis conducted on 5th April 2020 shows a mean pay gap at Hyatt Regency London – The Churchill of -22.2%. This compares against the UK Office of National Statistics (ONS) mean of 15.4% for 2020. It also captures the mean and median difference between bonuses

Our last published Gender Pay Gap Report measuring the **Mean Gender Pay Gap** in 2018 showed a Mean gap of 8.4% in 2019, although not published (due to the pandemic), our Mean was 7.8%, which showed positive progress year on year. 2020 figures (which, as explained, are based on just 17 employees) show a Mean of -22.2%.

The **Median Gender Pay Gap** for 2020 is -18.3%

At -22.2% for the Gender Pay Gap and -18.3% for the Median Gender Pay Gap, they are considerably below the whole sample figure for organisations in the same sector and significantly below the figure for organisations in the same industry.

-22.2%

Mean gender pay gap at Hyatt Regency London – the Churchill

14.4%

Mean gender pay gap of the UK Office of National Statics (ONS)

Bonus Gap

To calculate the Gender Bonus Gap, all 296 employees are included.

The **Mean Gender Bonus Pay Gap** is **12.9%**.

This is significantly below **66.6%** Gender Bonus Pay Gap of the UK National Statistics Annual Survey of Hours and Earnings 2020 for all employees and organisations in the same sector and the same industry.

The **Median Gender Bonus Gap** is **-12.3%**, compared to 2018's **11.6%**.

At -12.3%, the median gender annual bonus gap is significantly below the figure for organisations in the same sector and significantly below the figure for organisations in the same industry.

Proportion of colleagues awarded a bonus - In 2020 20.8% of males received a bonus and 28.5% of females.

Compared to the hotels, catering and leisure industry the number of males and receiving a bonus is above.

Pay Quartiles

The below illustrates the gender distribution of those not on furlough on the snapshot date (being just 17 of 296 employees) across four equally sized quartiles.

Pay Quartile	Female	Male
Band A (lowest paid)	0.0%	100.0%
Band B	25.0%	75.0%
Banc C	0.0%	100.0%
Band D (highest paid)	40.0%	60.0%

UNDERSTANDING OUR RESULTS

The first point to highlight is that the data used to create this report differs from previous years. This is due to the unusual situation faced by our company, and many others, of mandatory closure of our hotel premises. The Coronavirus Job Retention Scheme allowed us to furlough 94.3% of our colleagues and create a minimal strategic working team. In accordance with Gender Pay Gap reporting guidance, these furloughed employees were excluded from the mean and median hourly pay gap calculations and the calculation of the percentage of men and women working in each quartile. The reported data in these areas therefore reflects just 17 of the company's 296 employees. This, in our view, distorts the results from being a true and accurate reflection of the complete picture of the pay and composition of the company's workforce.

With the above in mind, the reported gap is reducing each year for the upper quartile, and shows - 22.2% in favour of female leaders. However, if we were to include those on furlough, women are slightly underrepresented at management level in the upper quartile. Our 2022 people strategy addresses this and we are building a development and succession plan to bring us closer to gender parity of our Leadership team.

The lower quartile reflects some areas of the hospitality industry where some job roles are still very gender polarised. In April 2020, the hotel was closed and the entry level team members who were not furloughed were from Engineering and Security departments in which the female representation is traditionally very low. This figure is usually balanced with some high female representation in other departments, such as Food & Beverage Service or Housekeeping, the majority of which were furloughed on the snapshot date. The exclusion of employees from these departments has skewed the figures reported.

The bonus gap is driven primarily by the proportion of men and women in management roles. Whilst there has been an increase of female representation in the upper quartiles, the General Manager is male and the management team has more male than female members. The roles at this level in the organisation, as in most organisations, attract a higher bonus entitlement which is reflected in these statistics.

We are confident that the gender pay gap is not the result of a systematic equal pay issue and are committed to delivering inclusivity and fairness at every level, across every role within the company.

PROGRESS ON OUR COMMITMENTS

As a business we have taken steps to reduce our gender pay gap and it is a priority for our organisation and sits at the heart of our diversity, equity and inclusion journey.

We know that we can only be a truly inclusive workplace if we create an environment that allows our colleagues to bring their whole selves to work every day so they can be their best and better care for others.

With this in mind, we are proud to share progress on our ongoing commitments.

1. Women@Hyatt Diversity Business Resource Group to support women in their career advancement.

The group was formed in mid-2016 and consists of female GMs and various regional Executives. The group supports Hyatt's strategy on Diversity, Equity and Inclusion, as a form of Diversity Resource Business Group. The establishment of these groups are a key part of Hyatt's diversity & inclusion efforts. The DRBGs represent our colleagues' diverse cultures, backgrounds and viewpoints, and offer an opportunity to work, connect and do business inclusively. It is a group of senior female leaders specifically working on finding ways to support female career advancement as a matter of supporting overall efforts to achieve gender parity on leadership level.

In 2020 we launched the second round of our female mentorship programme (INSPIRIT) and opened the registration to a wider range of colleagues: female middle level management across the UK. This programme offers the opportunity for emerging female leaders to choose a mentor from Hyatt Senior leadership within the EAME/SWA region to support career counselling and share experiences through a mentor programme.

2. Global Inclusion & Diversity Council

The Global Inclusion & Diversity Council, chaired by President and CEO Mark Hoplamazian was set up in 2018 promoting cultural competence and an inclusive workplace and focused on developing global and cultural awareness throughout Hyatt's global business. In 2020, we launched our Change Starts Here commitment with actionable goals to accelerate our DE&I efforts by 2025 across three key areas: 1) Who we employ, develop, and advance, 2) Who we support, and 3) Who we buy from and work with.

Hyatt has recently implemented a dedicated leadership role for Diversity, Equity, Inclusion and Talent to support the hotels in the Region, including the UK with the DEI focus, started in 2020 and to be continued beyond.

Going forward, as our UK hotels are reopening and stabilising our new business models, now more than ever there is a heightened importance of health, wellbeing, equality and overall humanity at the workplace and our hotels in the UK are a dedicated contributor to all People, Talent, Diversity, Equity and Inclusion activities of Hyatt within our Region.

We understand from recent research that the global gender gap has increased as a result of the pandemic and we are dedicated to also follow recommendations to help close this gap. Our measures in our properties and offices in the UK, together with our sister hotels in the Region are working within a newly developed framework for all our Diversity, Equity and Inclusion efforts.

3. Support and inspire the next generation of female leaders

We have committed to set goals in all the UK properties to advance the professional progress of women which includes the overall gender distribution on all levels, a diversity balanced talent pipeline as well as the female share in management.

Aligned to these goals, we are building a set of tactics in a variety of strategic areas supporting DEI, for example Leadership, Networking, Learning & Development and Workplaces.

The gender diversity goals and tactics are being set on the basis of detailed research work, focus groups and people analytics internally and externally.

Our UK Talent Review process has been set up to focus on developing and retaining our talent. Now more than ever our aim is to utilise this structured process to attract, retain and develop this talent. We continue to have a structured approach to improving talent and developing the next generation of leaders.

4. Supporting LGBTQ+ rights

Our UK HyPride Diversity Resource Business Group was created in 2017 to affirm our support to the LGBTQ+ community. Although London Pride was cancelled in 2020, we held events on property to raise awareness.

5. Investing in disadvantaged youth and building the diverse workforce of tomorrow – RiseHy commitment

RiseHY is a global programme designed to pair career opportunities in the hospitality industry with young people who need them. Hyatt Hotels are making a commitment to hire 10,000 Opportunity Youth, young people between the age of 16 and 24 disconnected from our economy either not in work or not in education by the end of 2025. Our Hyatt UK target is to reach 35 successful hires by 2023.

It is also an opportunity to break the gender polarisation of job roles or areas of expertise, by offering on the job training.

6. Flexible Working

Post pandemic, this is the new norm and as our teams and business models become more agile, we promote and encourage working from home days to support our colleagues' work-life balance.