

GENDER PAY GAP REPORTING 2018.

the gym 

STATEMENT

Here at the Gym Group, we are working hard to enable and nurture a fully diverse and inclusive culture. Centred around our four key values of Taking the first step, Realness, Friendliness and Challenging our Limits, we are able to allow our employees to be their best self at work.



We make it our goal to provide all our employees with the opportunity to reach their full potential and purpose. We have a clear and transparent approach – we pay both men and women equally for the same or equivalent work. Simple! We are confident that our gender pay gap does not reflect unequal pay. To keep focused on this, we carry out pay and benefits audits annually; our managers and employees are given on-point advice when we are reviewing pay; and we evaluate our job roles and pay bands to ensure they are fit for purpose and reflective of the market.

This gender pay gap report is made in respect of The Gym Group plc on a Group-wide basis, including all employing entities in the Group. Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, companies must report on each employing entity which has at least 250 UK employees. We believe performing this analysis on a Group-wide basis is most reflective of the true position at The Gym Group, as a small number of employees work for a different entity to the majority of our employees. In order to comply with the regulations, we additionally show the statutory analysis for our operating subsidiary, The Gym Limited, at the end of this report.

As the information overleaf shows, we do realise that our gender pay gap is formed largely because our most senior roles (and those with the highest rates of pay), are mainly filled by men. We are working really hard on improving our diversity in this area – as described in this booklet. And we are proud that we enable our workforce to work flexibly, and that our approach to family-friendly policies really supports this.

I confirm that the data contained within this report is accurate and that the statutory data is calculated in line with the methodology outlined in the regulations.

Ann-marie Murphy
Director of People & Development

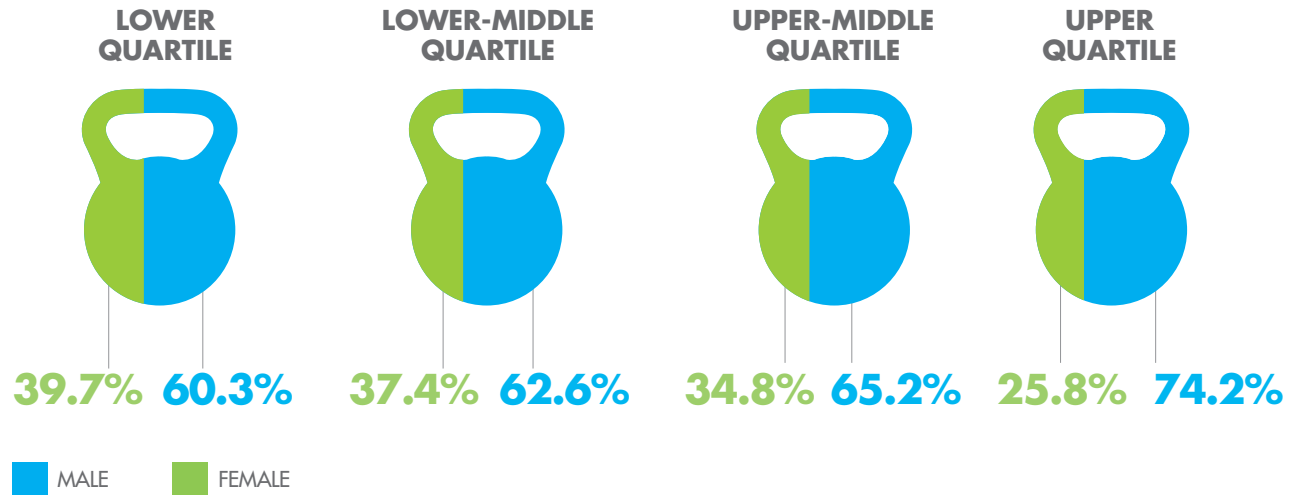
OUR GENDER PAY GAP

7.5%
MEAN

4.6%
MEDIAN

This shows the difference between the mean and median within our hourly rates of pay for male and female employees. A positive number means that these are lower for our female employees than for our male employees.

Our mean gap has reduced from 10.16% in 2017 to 7.5% now which is a great first step in the right direction, but we know we can do more and challenge our limits. We are also pleased that our mean and median hourly pay gaps are lower than the average across the UK economy. The primary driver behind the gender pay gap at The Gym Group is the underrepresentation of females among our most senior employees (see our salary quartiles) and we are working hard to address this.



We think this best describes why we have the gender pay gap at The Gym Group – the gender split of our most senior roles is the primary driver. While the majority of our employees (66%) are male, in the upper quartile, only 25.8% of employees are female, and this influences significantly both the hourly pay gaps and the bonus pay gaps (as our most senior employees are more likely to be eligible to receive bonus pay).

While we have historically received more applications from men than women – and more of our employees have been men – we are working hard to ensure that we recruit and retain more women, and that we have the right development and support in place so that women feel confident to progress into our most senior roles. We are taking positive steps, as we explain on page 4, but broad changes to our demographics will take time and are an absolute key focus and driver for us to support our longer-term progression.

GENDER BONUS GAP

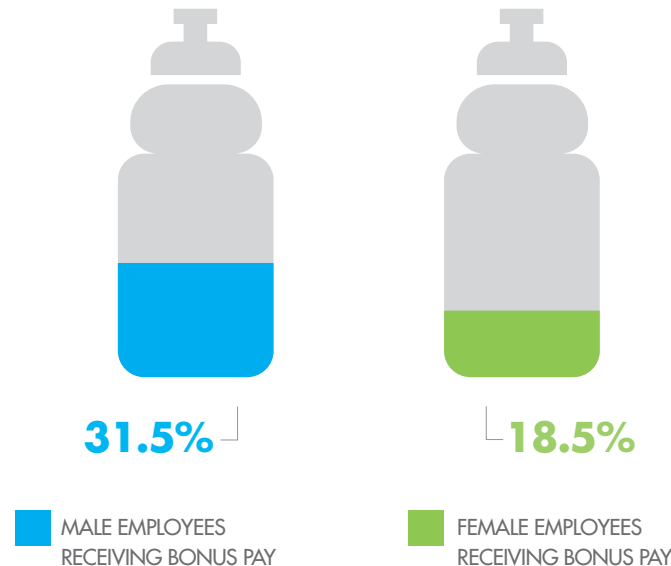
48.9%
MEAN

37.1%
MEDIAN

This analysis shows the difference between mean and median bonus pay for male and female employees, including only employees who received a bonus in the year. A positive number means that the bonus pay for our female employees is lower than for our male employees. As this calculation is based on absolute bonus pay figures for the year, these figures can be affected by employees' working hours.

These bonus gap numbers are inherently volatile due to the nature of variable pay from year to year and business performance. Although, as highlighted, the underrepresentation of women among our most senior employees is also a factor as our more senior roles will generally attract a bonus payment.

PROPORTION OF EMPLOYEES RECEIVING BONUS PAY



This analysis shows the percentage of male and female employees who received bonus pay during the year.

A successful year in 2018 meant that a greater proportion of our employees – both men and women – received bonus pay last year (2017: male 20.57%; female: 13.28%).

A greater proportion of male employees received bonus pay than female employees (due to the senior-leader split), reflecting the gender split among those roles which are eligible for bonus pay.

SO WHAT ARE WE DOING ABOUT IT?

While our gender pay gap is lower than the average across the UK economy as a whole, we are committed to reducing it further and, in particular, increasing female representation among our most senior employees.

As established through the data, the primary driver of our gender pay gap is the low number of women in the upper quartile of our employees. To address this, we need to recruit and retain more women – not just in senior roles, but in all roles – and we can then focus on empowering our female employees to progress.

We are currently building our diversity plan which will support the achievement of a diverse population within our Senior Management Team. This includes our field-based Regional Manager roles. We also have a goal to create a diverse shortlist for any senior role we recruit for.

We have put in place some focused mentoring for women wanting to develop, to ensure they are supported in achieving their goals. We are focusing on ensuring our talent attraction is diverse and represents our culture via our new employer brand which will be

launched in 2019. This highlights our real and friendly style, enables our employees to challenge their limits, and provokes them to come and take their first steps with us. We will support, guide and nurture them throughout their career with us.

Recruiting more women into the central function who can progress with us and be the future leaders of The Gym Group is part of our core strategy. Counter-intuitively, this may result in a short-term widening of the gender pay gap (as hiring more women into these more junior roles may reduce mean or median pay), while facilitating the change in our employee demographics.

We hope our employees, potential future employees and other stakeholders will understand that the actions we are taking are focused on eliminating the pay gap at The Gym Group, rather than chasing unsustainable, year-on-year reductions.

STATUTORY NUMBERS FOR THE GYM LIMITED

This table outlines the statutory data required for The Gym Limited, our operating subsidiary.



DIFFERENCE IN AVERAGE PAY

	HOURLY RATE OF PAY	BONUS PAY
MEAN	11.2%	-8.1%
MEDIAN	5.8%	27.5%

PROPORTION OF EMPLOYEES RECEIVING BONUS PAY

	MALE	FEMALE
% RECEIVING A BONUS	30.6%	18.7%

PROPORTION OF MALE AND FEMALE EMPLOYEES BY QUARTILE

	MALE	FEMALE
UPPER QUARTILE	74.3%	25.7%
UPPER-MIDDLE QUARTILE	64.1%	35.9%
LOWER-MIDDLE QUARTILE	62.7%	37.3%
LOWER QUARTILE	60.1%	39.9%

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