



Gender Pay Gap *Report 2017*

Our core values at Pret mean that we place great emphasis on our employees' happiness. We recognise that their happiness is as important as that of our customers. We aim to achieve high standards in all that we do and we continually seek to improve in any way that we can. We also believe in 'doing the right thing'.¹ As a result, we are pleased with our first set of gender pay gap results. We have a good representation of males and females across all four quartiles of our business. Our mean pay gap is less than 5%, compared to 17.4% as an average for all UK businesses, and 16.4% across retail businesses.² Our median pay gap reduces to -0.2%. Our bonus pay gap is higher as described below, but it's well below that of many other organisations.

However, a gap is still a gap, and we have started a journey to have the right conversations to create meaningful plans that make a difference to the working lives of our people.

★ PRET A MANGER ★

What is the Gender Pay Gap?

All UK organisations with over 250 employees are required to publish details of their gender pay and bonus gaps. The aim behind this initiative is to help reduce the ongoing pay gap between women and men in the workplace.

Gender pay looks at the entire employee population. In Pret's case this equates to 8,171 employees (as at 5 April 2017) from our newest Team Member to our most senior executives.

Is the Gender Pay Gap the Same as *Equal Pay*?

No, the gender pay gap and equal pay are different.

Equal pay looks at ensuring that women and men are paid equally for the same or similar work.

The gender pay gap measures the difference between the average pay of women and men across the entire organisation, expressed as a percentage. It therefore reflects any imbalance between the proportion of women and men employed by the organisation.

Which Calculations Are Required

In accordance with the requirements, Pret has published six calculations showing our:

1. mean gender pay gap
2. median gender pay gap
3. mean gender bonus gap
4. median gender bonus gap
5. proportion of men receiving a bonus payment and proportion of women receiving a bonus payment
6. proportion of men and women when divided into four quartiles ordered from lowest to highest pay.

Mean *and* Median Explained

The mean pay and bonus gaps are based on a calculated average for female and male employees. To calculate this you add up the hourly pay rate (or total annual bonus) for all your female employees and divide this by how many female employees there are in the organisation. You would then do the same for your male employees. The difference between these two results is the mean pay and bonus gap.

The median is the middle pay (or bonus) point for men and women. It is important to understand that the middle pay point for women may very well be at a different pay point than for men, so the median does not necessarily compare the same roles. The pay and bonus data is ranked in order from highest to lowest. The median pay (or bonus) would be that received by the woman or man in the middle.

¹ Pret's Values are: Happy Teams, Happy Customers; Amazing Standards Everyday; Never Standing Still and Doing the Right Thing

² Based on estimates from ASHE Survey 2017



Pret's Gender Pay *Statistics*

Of the 8,171 employees employed as at 5 April 2017, 4,900 were female and 3,271 were male.

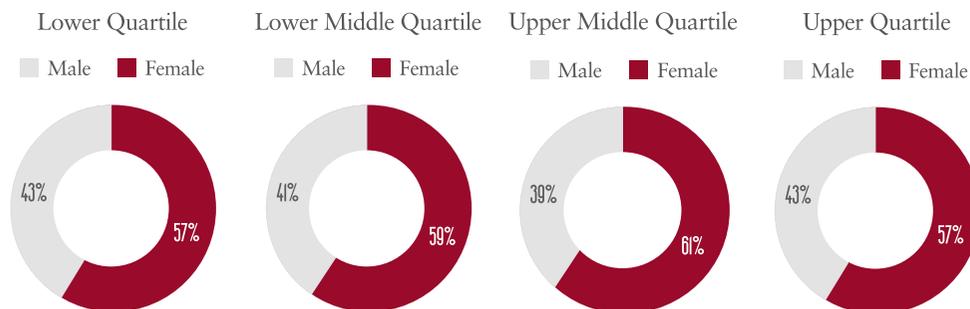
Pay (Hourly Rate)

Mean Pay Gap	Median Pay Gap
4.8%	-0.2%

Bonus Pay

Mean Bonus Pay Gap	Median Bonus Pay Gap
22.9%	14.7%

Pay Quartiles



Proportion of women and men who received a bonus

Women	Men
97.33%	97.10%

Understanding Pret's Gender *Pay Gap*

Having reviewed the data, we have identified that within our shop-based Team Member population the mean pay gap is negligible, ranging from 0.20% to -2.31%. Our mean pay gap for our shop Managers is -0.39%.

The main factor driving the 4.8% mean pay gap is that we have more men in senior positions than women in our Support Centre. Turnover in senior positions is extremely low, with 102 years of Pret tenure amongst our 10 UK based Operating Board Members (at April 2017).

Our median pay gap of -0.2% demonstrates that the median pay for women is greater than that for men.



Understanding Pret's Gender *Bonus* Gap

Although an equal proportion of men and women receive bonus payments, the bonus gap is larger than the hourly pay gap. This is due to three key factors:

1. The main contributor is part-time working. We are proud to offer many opportunities to work part-time within the business, which suits our employees for a number of different reasons. The take up of part-time working is greatest amongst our female employees with 69% of part-time workers being female. Our part-time workers receive a pro-rata bonus equivalent to the hours that they work. We are confident, therefore, that much of this difference relates to choice of working pattern.
2. Another contributor to our bonus gap is the bonuses paid to senior executives where there are proportionately more men than women.
3. As explained earlier, the median pay or bonus can compare women and men in different roles. In our case, the median bonus gap compares a woman who is a Team Member (with additional responsibility) and earns a weekly bonus to a man who is an Assistant Manager and earns a Manager's bonus. The bonus schemes are different and this therefore contributes to a larger bonus gap.

Our Plans

It is vitally important at Pret that we continue to ensure our recruitment and development practices offer equal opportunities for all. We are pleased that gender pay reporting has created a conversation around female representation at all levels, and we are excited to be trialling a new set of flexible working options to provide clear, barrier-free pathways to progression for all our employees. We look forward to continually measuring our gender pay in years to come to understand what is working and to identify further need for change.

