

Gender Pay Gap Report

2018

© Vision Express (UK) Ltd



About Vision Express

Vision Express is built on our brand promise:

Vision. Taken Seriously. This means that we offer our customers the best individual optical care, the right eyewear solution and great value for money. With our engaging expertise, unrivalled product range and caring service, we want our customers to stay with us for life and we want our colleagues to stay and grow with us too.

We believe everyone should have an equal opportunity to make the most of their talents and aim to offer all of our teams the opportunities to develop in the many diverse and rewarding career choices we offer. We provide a flexible working environment to support our teams to achieve what's important for them whilst also enabling us to meet the needs of our customers.

We strive to make sure the principles of fairness, openness and transparency inform everything we do. Career and employment decisions are based solely on talent, potential and ability to do the job. We are fully committed to supporting gender equality in the workforce; with this in mind we operate a number of flexible working and family friendly policies, career development opportunities accessible for all and a transparent and visible remuneration policy and structure.

Key facts

> 6000 colleagues across the uk



90% in our stores

74% of our total colleagues are female



66% of our store managers are female



27% of our colleagues have over 10 years' service



43% of our colleagues have over 5 years + service



33% of our board are female

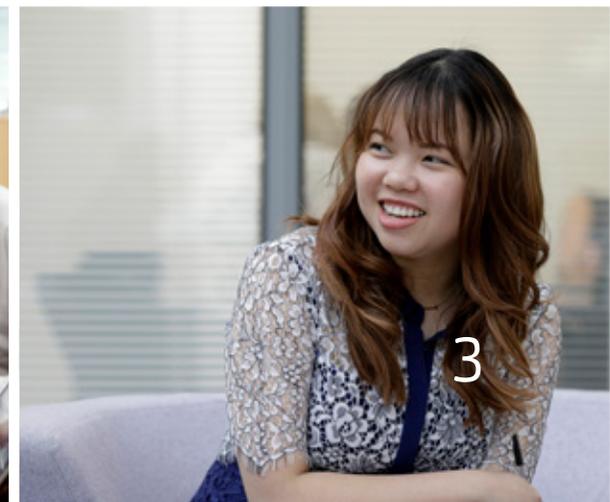
The gender pay gap explained

The Gender Pay Gap Regulations in the UK require employers with greater than 250 employees to report their gender pay gap in line with specific criteria. This report is based on data at April 2018.

The gender pay gap is different from 'equal pay'. Equal pay is the difference in pay between men and women who carry out the same or similar jobs or jobs of equal value.

What is a gender pay gap?

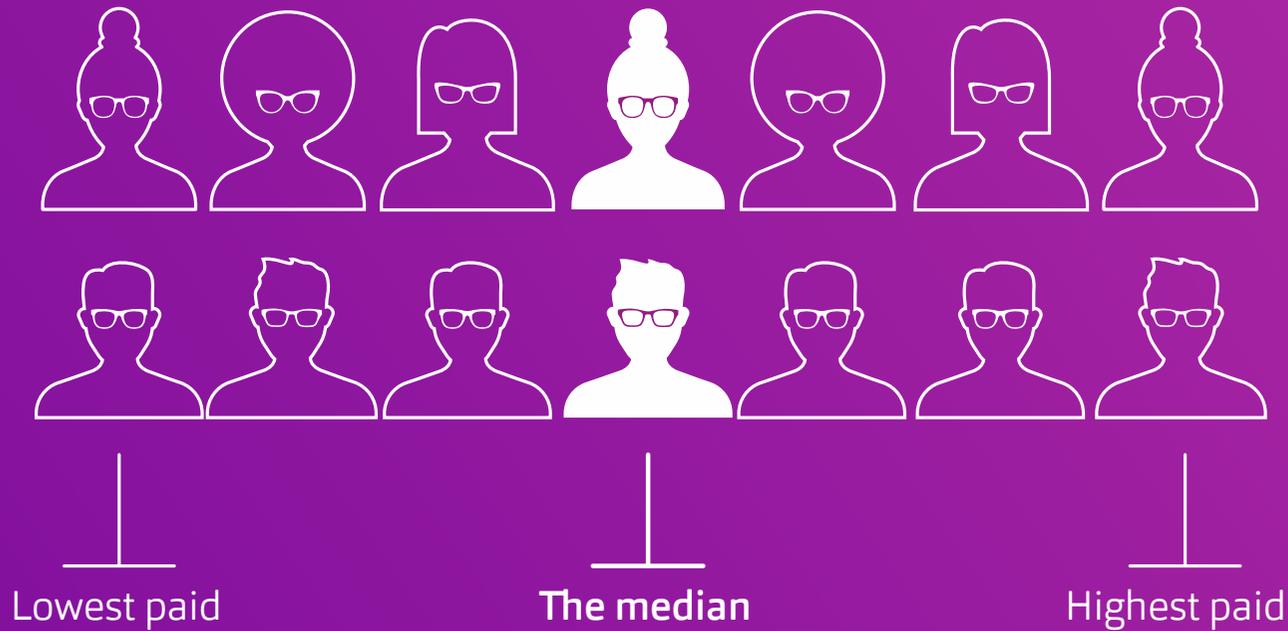
The gender pay gap represents the difference in the average hourly earnings of men and women across a business regardless of the role they do. The gap can be impacted by a number of factors, including the number of men and women in all roles throughout the company. As a result of different jobs paying different rates and the number of men and women performing those jobs being variable – a gender pay gap may exist.



The gender pay gap explained

Median gender pay gap

The median shows the middle point of the group. If all colleagues within the company were lined up in a female and male line, in order of pay – the median pay gap is the difference between the hourly rate of pay for the woman in the middle compared with the hourly rate of pay for the man in the middle.



Mean gender pay gap

The mean gender pay gap is the difference between the average hourly rate of pay for women and men within a company.

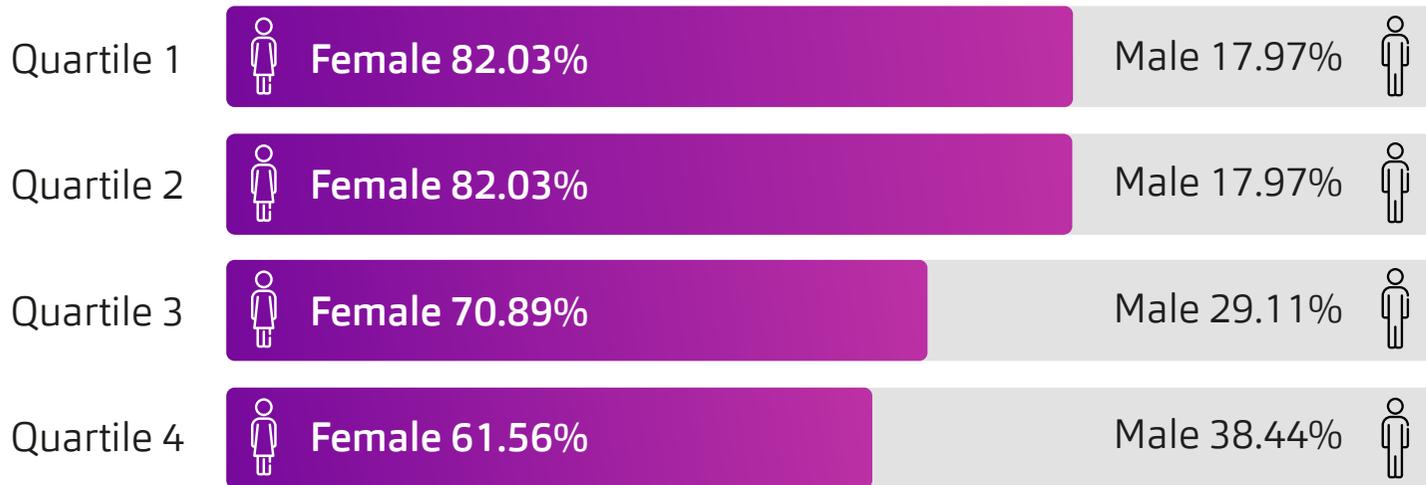


Understanding the pay gap at Vision Express

Overall gender split



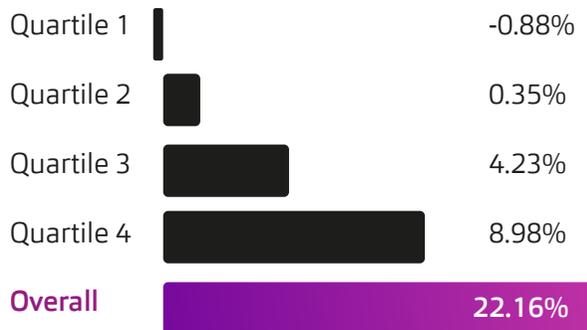
Gender split by quartile



Understanding the pay gap at Vision Express

At Vision Express 93.22% of the total colleagues in quartiles 1 and 2 are store based colleagues on fixed rates of pay linked to training level and expertise. If we were to calculate the gender pay gap for this population (Q1 & Q2) of our team there would be a median pay gap of 0% and a mean pay gap of 0.6%.

Mean gender pay gap



Median gender pay gap



UK national average pay gap estimated at 17.9% Oct 2018. (Office for national statistics - Oct 2018.)

Recruitment into registered optical professional roles is highly competitive and has been for many years. Pay for those roles is commensurate to the qualification and determined by several factors including experience, time qualified and the level of competition within the job market at the time of recruitment (often the supply of optical professionals is significantly less than the demand for them). The variable mix of these factors at a point in time can contribute to a gender pay gap.

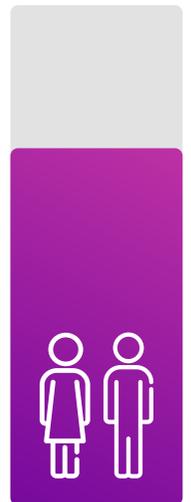
Whilst overall the percentage of females within our business is higher than males, there is a greater proportion of men than women in more senior and / or higher paid roles resulting in a gender pay gap.

Quartile four accounts for the highest paid

and / or more senior roles within Vision Express

63.55%

of these are registered optical professionals.



Gender Gap - Bonus

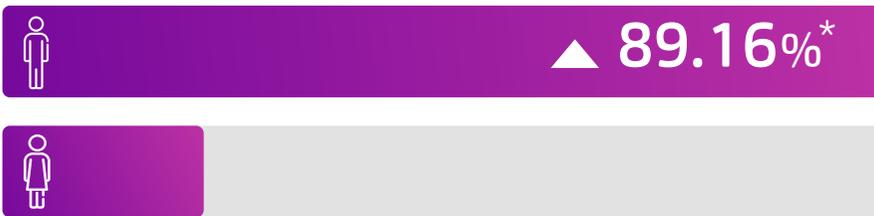
Performance related bonus schemes operate for a number of management and registered optical professional roles within our business.

Over recent years we have focused our investment into providing our teams with improved base rates of pay vs investment in variable performance related bonus.

Median bonus pay gap

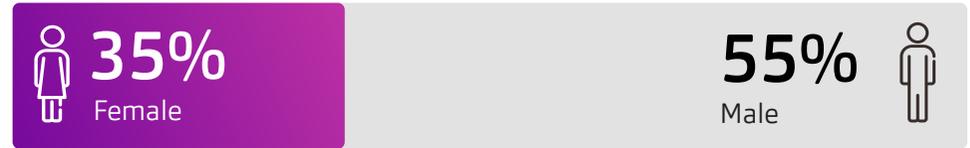


Mean bonus pay gap



* The 2018 bonus gap was significantly impacted by a one off LTIP payment to senior management.

Proportion of colleagues eligible for a bonus scheme (based on role)



Not all roles within Vision Express are eligible to participate in a bonus scheme. For roles that are eligible to participate, bonus schemes are structured and based on objective criteria linked to performance.

Proportion of employees receiving a bonus



As our bonus schemes are performance related, not all eligible schemes resulted in bonus being paid during the reference period.



Addressing the gender pay gap

Awareness, training & action

In order to further support gender pay balance we are fully committed to increasing our focus and efforts on awareness, training and action on equality and inclusion throughout our business.

Vision Express positively and proactively provides equal opportunities for all, we will continue our focus on developing new and improved ways to attract, reward, retain and develop even more female talent of the future including opportunities accessible for all and a transparent and visible remuneration policy and structure.

Our progress so far....

Whilst both our mean and median gender pay gaps have increased, the increase in our mean gender pay gap is due to the change in composition of our workforce post the acquisition of Tesco Opticians.

Within the first two quartiles the majority of roles carry a fixed rate of pay. Due to the high volume of females within these roles the female median is on a fixed rate of pay which does not alter at an individual level. The male median is operating at an assistant store manager level therefore, unless there is a significant shift in the composition of our workforce, there is likely to be a gender pay gap.

Key facts



88%

of our 'gold' (highest trained) optical retail assistants are female



39%

of our senior leadership team are female



70%

of our 2018 graduate pre-registration optometrists on programme are female



69%

of our registered professional colleagues are female



70%

of our apprentices are female



Key achievements

- In 2018, we continued to invest in our apprenticeship programme and were proud to promote Esther, our first apprentice to the role of store manager
- 33% of our board are female and we aim to ensure we have at least 1 female candidate shortlisted for senior roles
- We introduced flexible working at our Store Support Centre and have committed to a more flexible approach across our store network
- We rolled out training on unconscious bias to all our managers with recruitment and people management responsibility, this included a combination of e-learning and classroom training
- We ran a training workshop for our top 50 store managers on people and culture which included a broader understanding of unconscious bias and diversity in the workplace
- 60% of colleagues on our management development programme were female
- Due to the implementation of a performance based incentive 97% of females are eligible to participate in a bonus scheme compared with 35% last year



2019 Future Actions

Policy and Employment Practice

- Build and continue to develop our employment practices and organisation design to enhance flexible benefits and an accessible working environment
- Roll out our reward model including grading structures to meet the continuing and growing needs of our company. Our salary structure will be simplified and relaunched to give transparency and a better understanding of our salary ranges
- Review the success of our new performance based incentive scheme
- Work with our teams and colleagues to better understand what is important to them, taking a holistic approach to our working practices and policies such as Career Breaks and Flexible Working
- Focused recruitment activity to support a return to work for those who have had a career break for caring or other reasons, taking the opportunity to promote flexible and part time working opportunities
- A colleague group will be formed in 2019. One of the areas of focus for the group will be diversity and working practices in our organisation

Training and communication

- Introduce an improved engagement tool to collect more meaningful insight from our colleagues and share feedback and actions
- Invest in our internal communication approach and communications team
- Continue to drive inclusion by building awareness of unconscious bias through more training channels

Insight and governance

- Continued monitoring, controls, insight and governance on equality and inclusion including remuneration, recruitment and promotion decisions
- A gender pay gap action plan, including our progress and actions will be reviewed quarterly by our executive board

This statement was approved by the Vision Express (UK) Limited CEO. The information reported is accurate and meets the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Onur Koksal | Chief Executive Officer

Kate Glasby | Human Resources Director



Vision. Taken seriously.

© Vision Express (UK) Ltd

