



hearingcare



A message from Echo Lu

I am pleased to share the Boots Hearingcare 2022 Gender Pay report, the first that I have reviewed since joining as Managing Director for UK and Ireland in July 2022.

Whilst we have made progress in some areas of the business, we need to take more action to reduce our Gender Pay gap overall and I am committed to making that happen under my leadership.

Several factors influence pay, including the roles that people perform. To reduce the gap, we need to develop and recruit even more women into senior roles. This will require us to have a strong female talent pipeline at all levels and to support women at different stages, so that they can develop and grow their careers and have the family life they want.

Our current salary structure for audiologists links heavily to performance targets. I have commissioned a review of our pay structures and the planned changes will reward audiologists based on their skills, knowledge and contributions, which will provide better pay progression and reduce the gender pay gap further.

So whilst there are some encouraging signs within levels, we must do more across the board. It is more than reward and benefits; it is about our talent strategy and about changing the way we develop and grow diverse and inclusive teams. I strongly believe that diverse teams make better decisions, create a stronger culture and a more enjoyable environment to work, and deliver better results for our stakeholders.

Echo Lu

Managing Director

Boots Hearingcare

UK and Ireland



Understanding Gender Pay Gap reporting

With 61% of our colleagues being female, gender balance is really important to us and the legislation continues to help us to look at things differently and identify ways we can work to close our gender pay gap.

The legislation requires us to report our mean and median pay gap, bonus mean and median gap, the percentage of male and female employees who received a bonus payment and the percentage of males and females in each quartile.

What is the difference between equal pay and a gender pay gap?

A gender pay gap is different from equal pay.

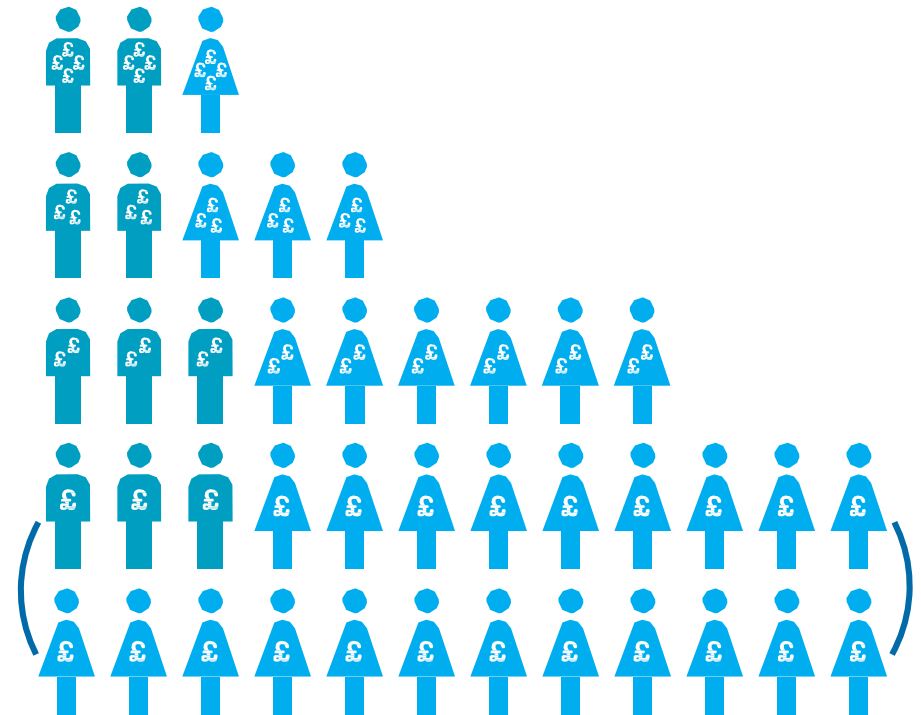
Equal pay

Equal pay is paying males and females equally for like work, work of equal value and work rated as equivalent. There has been legislation outlining equal pay obligations in the UK for nearly 50 years.



Gender pay gap

A gender pay gap looks at the differences in pay between genders across groups of employees irrespective of the work they perform.



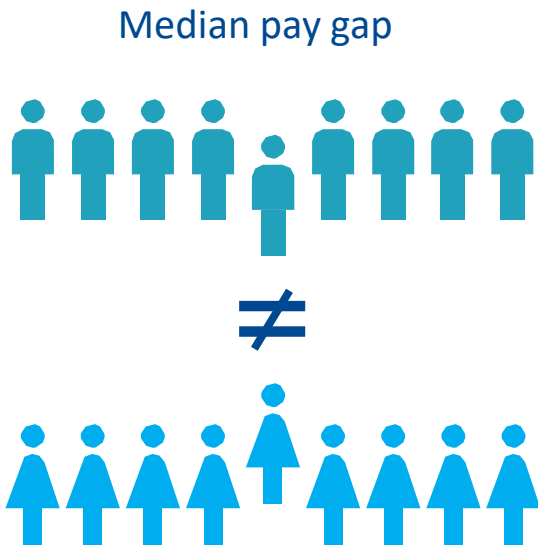
One of the main reasons for the gender pay gap in our society is that men are statistically more likely to be in senior roles.

Understanding Gender Pay Gap reporting

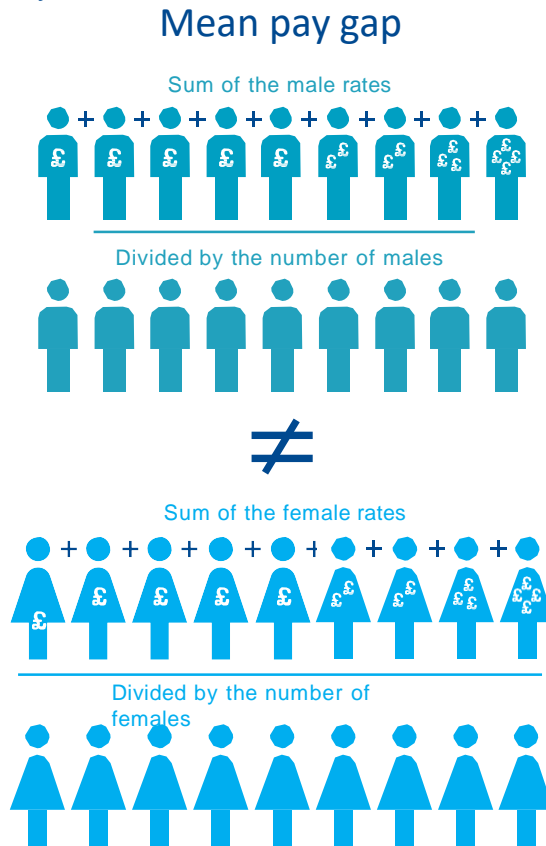
How are the median and mean pay gaps calculated?

The median is the middle point of a range of numbers and the mean is the average of a range of numbers. How do we calculate this for gender pay gap reporting?

Median pay gap – If all our male colleagues stood in a line in order of lowest hourly rate earned to highest and all females did the same, the median pay gap (as a percentage) is the difference in pay between the middle colleague on the male line and the middle colleague on the female line.



Mean pay gap – If we add together all the hourly rates of male colleagues and calculate the average and do the same for female colleagues, the mean pay gap (as a percentage) is the difference in pay between the average male and female hourly rate.

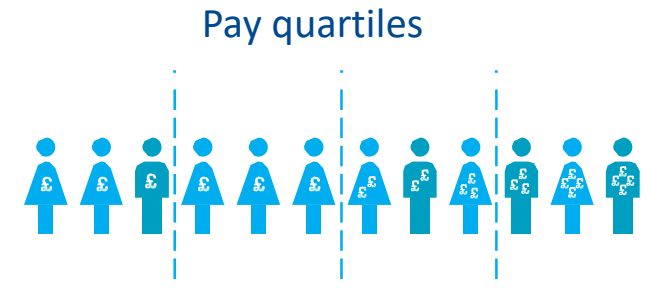


How is the bonus gap calculated?

The mean and median bonus gaps are calculated in the same way as the gender pay gaps. However, this time we use the actual bonus paid to colleagues. We also report the number of male and female colleagues receiving a bonus (as a percentage of the total male and female population).

How are the pay quartiles calculated?

Pay quartiles are calculated by dividing all hourly rates paid across the business, from lowest to highest, into four equal sized groups of colleagues and calculating the percentage of males and females in each.



Our 2022 results

Percentages of all our male and female colleagues



 39%

 61%



Pay quartiles

The percentages of all male and female colleagues within each quartile pay band is:



LOWER QUARTILE

 
36% 64%



2nd QUARTILE

 
29% 71%

3rd QUARTILE

 
42% 58%

4th QUARTILE

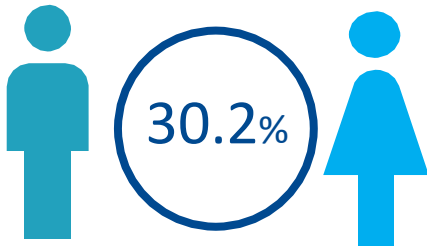
 
49% 51%



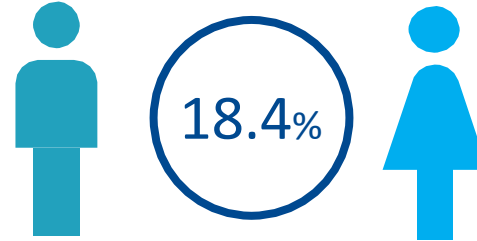
Our 2022 results

Gender pay gap

Median pay gap



Mean pay gap



Our median pay gap has increased from 20.8% to 30.2% whilst our mean pay gap has improved from 18.9% to 18.4%. In April, we boosted % pay for our colleagues in Support Office which meant a significant number of experienced female colleagues were lifted from the lower pay quartiles. Support Office and HWA female colleagues are paid the same as or slightly more than male colleagues.

The majority of our senior retail leaders are male and in the first quarter of 2022, we recruited more female than male colleagues (66% of recruits) mainly to our lower grades where there are vacancies. Factors that influence the overall figures.

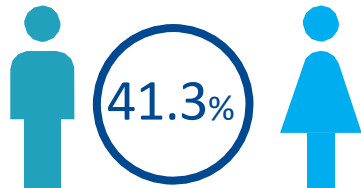
Bonus gap

77.4%
received bonus



72.8%
received bonus

Median bonus gap



Mean bonus gap



The mean bonus gap has improved from 34.1% to 31.6% and the median gap moves from 39.7% to 41.3%. The opportunity for bonus attainment has equalised across genders in comparison to the 2021 position. The bonus gap is influenced by the additional incentive bonus plans paid in April 22 which favours certain locations.

What are we doing to address our gender pay gap?

We are committed to encouraging and supporting female colleagues across the organisation and inspiring everyone to reach their full potential

What we've done so far

We continue to focus on paying greater than national minimum wage and give a commitment to continued investment in lower-pay ranges.

We have introduced a job evaluation system and associated pay guidelines to bring greater consistency and transparency in pay setting and to ensure pay progression for colleagues.

In 2022, we paid above inflation pay-rises to colleagues in professions to support recruitment and retention and this has meant significant pay rises for professional colleagues and greater equity and consistency across the gender profiles.

We continue to encourage flexible working and more of our job advertising now promotes job share and flexible working requests at point of application (hopefully increasing the pool of female applicants) More flexible working patterns, including compressed hours and part-time working, have driven the increase in requests, including an increase in male part-time working.

What we're doing in the future

We will continue to review how we can attract more males into healthcare support roles and progress females into audiological and leadership roles. Our Audiology leadership programme starts in September 2022 and we hope that our QHAD programme continues to promote our HWA colleagues (82% of whom are female) into audiological roles.

We are currently reviewing hearingcare pay to ensure that it remains fit for purpose and attracts and retains the best talent and rewards performance fairly and consistently. We will do that with gender pay in mind.

Our commitment

We are committed to encouraging and supporting all colleagues across the organisation and inspiring everyone to reach their full potential.



We are proud that we offer flexible working to our colleagues including increased hybrid working which increases rates of female participation in the workplace and assists with home and work-life balance.

We confirm that the information contained within this report is accurate.

Sharon Brand

HR Director, Boots Hearingcare

Sue Reece-Jones

Finance Director, Boots Hearingcare

