



April, 2018

## UK Gender Pay Reporting for Halfords Media (UK) Limited

In April 2017, Parliament introduced The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, which requires all UK employers of 250 or more employees to post to their website certain gender pay information for employees who were employed by the UK entity as of April 6, 2017.

Halfords Media (UK) Limited is an indirect UK subsidiary of The Stars Group Inc., a leading provider of technology-based products and services in the global gaming and interactive entertainment industries. Halfords Media (UK) Limited is based in London and is a satellite office of The Stars Group, primarily employing staff within the Customer Support and Marketing functions.

When recruiting and for internal review, all roles within The Stars Group, Halfords Media (UK) Limited included, are graded and benchmarked. Throughout the course of employment all employees are encouraged to develop their skills and progress through the pay scale for their particular grade (i.e. level of seniority), role and job function. This is irrespective of gender and focused around length of service and performance. Halfords Media (UK) Limited has robust processes in place to ensure pay levels are reviewed using a fair and consistent approach.

Based on an internal analysis for the required time period, the mean and median gaps between the average male and average female's hourly rate of pay for those employed by Halfords Media (UK) Limited was 19.8% and 31.0%, respectively, in favour of men. These figures reflect the average male and female employee overall and do not take into consideration specific roles, levels or grades.

Halfords Media (UK) Limited participates in The Stars Group's annual bonus plan and structure, which is based on a combination of the performance of the individual and that of The Stars Group. Potential bonus as a percentage of salary increases with grade within the business. In other words, the more senior the employee, the higher the percentage of his or her annual salary that he or she can achieve. As there are more men in senior positions within Halfords Media (UK) Limited than there are women in such positions, this leads to an increase in the gap for bonus pay on a gender basis.

For the year ended December 31, 2016, Halfords Media (UK) Limited paid bonuses to 90.4% of women and 91.2% of men. The only Halfords Media (UK) Limited employees who did not receive a bonus were those who started past a specified cut-off date during the year, did not work during the year over which their performance is assessed (for any reason), or whose performance did not meet the required standards for their role. Based on an internal analysis for the required time period, and not taking into consideration specific roles, levels or grades, both the mean and the median pay gap for annual bonuses were 44% in favour of men. Set forth below is a chart showing the hourly rate of pay by quartile.



Hourly rate of pay by quartiles

Band	Male (%)	Female (%)
Lower Quartile	50.0	50.0
Lower Middle Quartile	56.6	43.4
Upper Middle Quartile	63.1	36.9
Upper Quartile	81.0	19.0

How to minimise the gap

To aid Halfords Media (UK) Limited, and The Stars Group in general, to bridge these gaps, The Stars Group is currently committed to, among other things, the following actions and initiatives:

- Continue to review family friendly policies, such as maternity, paternity, shared parental leave and flexible working schedules;
- Provide the opportunities for the creation of in-house networking programs to help employees broaden their networks and improve on their potential career progression;
- Create and implement a diversity strategy in line with corporate social responsibility strategies, including creating a policy and training for managers highlighting the advantages of having a diverse workforce;
- Continue to monitor pay data to ensure consistency across performance related pay increases for men and women;
- Review the delivery of learning and leadership programs to ensure they provide equal opportunities for all individuals to progress;
- Update and deliver unconscious bias and inclusion training;
- Continue to review and improve recruitment processes; and
- Enhance current internal mentoring programmes.

Furthermore, The Stars Group has recognised a need to increase the number of female employees, particularly among senior management positions and executive ranks, and to include diversity in its talent management program. For more information about this and other initiatives around diversity, please see The Stars Group Inc.'s most recently filed Annual Information Form, including under the heading "Human Resources", and Management Information Circular, including under the heading "Diversity", both of which can be found [here](#).

I confirm that the data contained in this report is an accurate representation of Halfords Media (UK) Limited.

Becs Cubbon  
Group HR Director