

# Gender Pay Report 2017

## Our commitment to equality

*Our family business is committed to being an employer of choice, with a guiding principle of an equitable, egalitarian and inclusive approach to reward. We're committed to equal pay and welcome the introduction of gender pay gap reporting to encourage businesses to review and develop their processes for ensuring equality.*

At Bettys & Taylors we employ just over 1,400 people in a diverse range of roles covering retail, catering, craft baking, manufacturing and support functions. Our workforce is 42% male and 58% female, with a strong gender balance across senior levels of the organisation. Our pay rates are based on job role and reviewed using a robust methodology including benchmarking data.

We know that our gender pay gap is not an equal pay issue and our analysis confirms that men and women are paid fairly for the same job. Our gender pay gap is driven by the demographics of our business, particularly the high proportion of women in Bettys front-line operational roles.

### *What is a Gender Pay Gap?*

A gender pay gap is a measure of the difference in average pay of men and women across a business. It's different to an equal pay comparison which would involve direct comparison of two people or groups of people carrying out the same work. Businesses are required to report on six different gender pay figures:

- 1. The mean (or arithmetic average) gender pay gap.** This is calculated by adding all female employees' hourly rates of pay together and dividing by the total number of women, and adding all male employees' hourly rates of pay together and dividing by the total number of men. The mean pay gap is then calculated as the average male rate minus the average female rate divided by the average male rate.
- 2. The median gender pay gap.** The median is the mid-point when the hourly rates of pay of all employees are ordered from highest to lowest, or vice versa. The median pay gap is then calculated as the median male rate minus the median female rate divided by the median male rate.
- 3. A breakdown of workforce earning distribution by quartile.** The Lower Quartile contains the 25% lowest hourly rates of pay and Upper Quartile includes the 25% highest hourly rates of pay. This provides an overview of earning distribution between men and women across the company.
- 4. The percentage of women and men receiving bonuses.**
- 5. The mean gender bonus gap.**
- 6. The median gender bonus gap.**

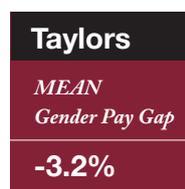
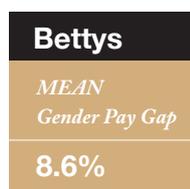
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Both mean and median gender bonus gaps are based on **actual** bonus received in the last year, rather than on hourly rates of pay.

Every relevant business must provide the same data working to the same methodology allowing comparisons between different employers.

## Our Gender Pay Performance

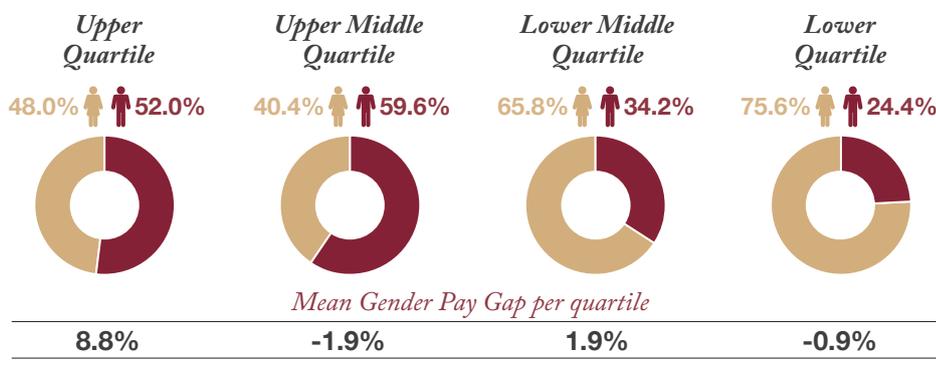
	<i>MEAN</i> Gender Pay Gap	<i>MEDIAN</i> Gender Pay Gap
Bettys & Taylors Gender Pay Gap	18.9%	16%
UK National Average*	17.4%	18.4%
Bettys & Taylors Gender Pay Bonus Gap	32.5%	37%



Percentage of employees who received a bonus



### Proportion of males and females in each pay quartile



All data was based on a snapshot date of 5th April 2017

\*UK National Average data sourced from the Office for National Statistics

## What's behind our Gender Pay Gap?

Gender pay differences can be down to a number of factors and don't necessarily mean equal pay issues. Our analysis of comparable roles shows we reward men and women fairly for the same job. Our gap is caused by the demographics of our business. This includes:

- A higher proportion of women (74%) than men (26%) in operational roles in Bettys.
- A smaller proportion of women (16%) than men (84%) in production roles in Taylors.
- More men than women receiving shift premiums where they've chosen to take shift-based roles.

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We've identified that when we review the gap between men and women in similar jobs it narrows to just a few percent. If Bettys was a stand-alone business the mean pay gap would be 8.6% (i.e. men in Bettys earn, on average, 8.6% more than women), and if Taylors was a standalone business the mean gap would be -3.2% (i.e. women in Taylors earn, on average, 3.2% more than men). These compare with a retail industry mean gender pay gap of 16.4% and a manufacturing industry mean gender pay gap of 16.5%\*.

This illustrates the fact that the gap, for us, isn't about how we pay our people, but is part of a general societal trend where different roles are often held by different genders. The fact that Betty employs a larger number of people (973 at the point we collated data, compared with 402 at Taylors), with the large proportion of them women, impacts on our Group-wide gender pay gap figure.

Everyone working in our business plays a part in our success and we believe we should all share in our prosperity. All our people are eligible for our Group Prosperity Scheme bonus – a profit-sharing scheme, paid each quarter, at the same percentage of salary. The small number of employees who didn't receive the bonus – 2.9% of males and 5.5% of females – largely represents recently hired employees who had not yet received a bonus payment at the date we took the snapshot of data (April 2017).

In line with the reporting requirements, the bonus gap figures are calculated by actual payments, rather than full-time equivalent. As such our gender bonus gap figures are higher than the mean and median pay gap levels due to a larger number of women working part-time.

*\*Data sourced from the Office for  
National Statistics*

## *What are we doing about it?*

Calculating and analysing our gender pay gap figures has given us a greater understanding of the demographics of our business, as well as the societal and cultural trends behind our gender pay gap. This information is now driving thinking within our business, such as how we can attract more women into areas where they are under-represented, including manufacturing operational and/or shift-based roles, and men into retail, catering and hospitality.

These are not easy themes to address and change will not happen quickly. However, we'll be working to understand what we can do including learning from businesses in similar sectors.

As a business, we're committed to understanding and working to reduce our gender pay gap where we can.

*I confirm that these figures have been reviewed by our Group Board and that we're committed to equal pay and will continue to use the annual Gender Pay Report as an opportunity to review our performance and practices.*



**Paul Cogan**

**Group Finance and Resources Director**

*16th March 2018*