

Gender Pay Report 2018

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 annual gender pay gap reporting to encourage businesses to review and develop their processes for ensuring fairness.

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 41% male and 59% female, with a strong gender balance across the middle and 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.

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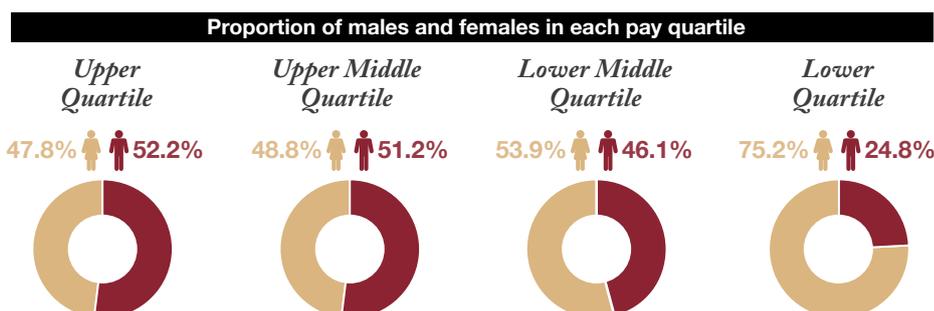
Both mean and median gender bonus gaps are based on actual bonus received in the last year, rather than on hourly rates of pay.

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	19.6%	8.6%
UK National Average*	17.1%	17.9%
Bettys & Taylors Gender Pay Bonus Gap	36.1%	36.8%

Percentage of employees who received a bonus:  95.3%  95.3%



All data was based on a snapshot date of 5th April 2018

What's behind our Gender Pay Gap and how has it changed since last year?

Gender pay differences can be down to a number of factors and don't necessarily mean equal pay issues. Our analysis 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 (73%) than men (27%) in operational roles in Bettys.
- A smaller proportion of women (15%) than men (85%) in production roles in Taylors.
- More men than women receiving shift premiums for working shift-based roles.
- A slightly higher number of men (58%) than women (42%) in the most senior roles in the organisation. This includes our Collaborative CEO team and Leadership Teams.

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

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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 largely represents recently recruited employees who had not yet received a bonus payment at the date we took the snapshot of data (5th April 2018).

In line with the reporting requirements, the Bonus Gap figures are calculated as 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.

Our 2017 Gender Pay Report can be found here: www.bettysandtaylor.co.uk/resources. When compared with last year, our mean Gender Pay Gap has increased slightly while our median Gender Pay Gap has decreased. The increase in the mean pay gap is largely due to changes in roles at senior levels. For a business our size, just a few changes in post-holders from female to male, and vice versa, can have an impact on the figures. Meanwhile, the median Gender Pay Gap was impacted by the fact that the data snapshot included Easter bank holiday payments paid to some Bettys operational staff.

As a business we believe it's much more important to focus on taking meaningful action to drive equality and inclusivity for all rather than focus simply the numbers themselves. The data does, however, support debate and discussion and encourage us to continue to focus on processes and approaches to encourage fairness for everyone.

What have we done over the last year to ensure fairness for all?

We're committed to being a business that recruits and retains the best people and supports everyone to be the best that they can be – for everyone's benefit. We continue to have a full and varied training, learning and development curriculum including 1:1 Development open to all our people, and a 'People Leader Academy' and leadership programmes to support employees to the next stage in their careers. Over the last year we've also introduced an Equality and Diversity Policy and improved entitlement to enhanced Maternity Pay.

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

23 January 2019