

BETTYS & TAYLORS GROUP
A GREAT YORKSHIRE FAMILY BUSINESS

Gender Pay Gap

Report 2021





Foreword

Bettys & Taylors is a one-hundred-year-old family business. We're home to five Bettys branches, a Craft Bakery, mail order service, and our tea and coffee business, Taylors of Harrogate. In total, we employ over 1500 people, based on seven sites – all in Yorkshire – in a diverse range of roles covering catering and retail, manufacturing, baking and confectionery, fulfilment and distribution, and a wide range of support and management services.

We know that our people are integral to our continued, long-term success and we aspire to be a great place to work, with a culture that attracts and supports great people to be and do their best and where there are no barriers to talent. Research consistently shows that diverse businesses where everyone can thrive perform better than others, and we're committed to developing a more inclusive culture where our roles are attractive to all.

In the year gone by we've made some progress and seen some improvements

but know there are no quick fixes and that we've a long way to go. However, as a family business we're able to think long-term and we're in it for the long haul. We remain committed to doing things properly with the aim of delivering meaningful lasting change, rather than focusing on short term actions that deliver limited benefits.

In particular, we've been having more open and honest conversations with our people about our working culture, the experiences of women in our business, and what we can do to create a more inclusive workplace. We've also continued to develop our workplace practices to ensure that our family business is a progressive, rewarding, supportive and exciting place to work.

As always, we welcome the opportunity the annual Gender Pay Gap statement brings to review our progress, share our latest figures and be open about our progress, learnings and challenges.

What is Gender Pay Gap reporting?

At Bettys & Taylors we welcome annual gender pay gap reporting as a way to encourage businesses to review and develop their processes for ensuring equality.

A gender pay gap is a measure of the difference in average pay of men and women across a business, irrespective of their role.

It's different to an equal pay comparison which involves direct comparison of two people or groups of people carrying out work of equal value.

Gender pay gap legislation requires employers in the United Kingdom with 250 employees or more to calculate and publish gender pay gap data on an annual basis.

BUSINESSES ARE REQUIRED TO REPORT ON SIX DIFFERENT GENDER PAY FIGURES:

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.

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.

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.

The Percentage of Women and Men Receiving Bonuses

The Mean Gender Bonus Gap

The Median Gender Bonus Gap

In accordance with the guidelines both mean and median gender bonus gaps are based on the actual bonus payments received in the last year and are not pro-rated up to reflect full time equivalent earnings.

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

Our 2021 data at a glance

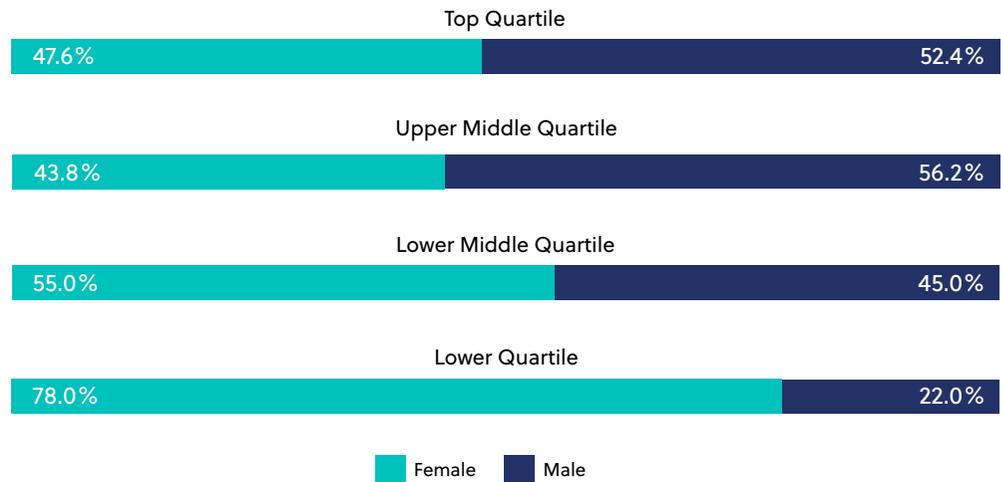
	Mean	Median
Betty & Taylors Gender Pay Gap	19.1%	17.6%
UK National Average* Gender Pay Gap	14.9%	15.4%
Bettys & Taylors Gender Pay Bonus Gap	30.6%	32.1%

*UK National Average data source from the Office of National Statistics – Provisional Data November 2021

PERCENTAGE OF EMPLOYEES WHO RECEIVED A BONUS



PROPORTION OF MALES AND FEMALES IN EACH PAY QUARTILE



All data was based on the snapshot date of 5th April 2021. On this date, our cafés and shops were still closed.

Bettys & Taylors Gender Pay Gap



This year marks five years since we started reporting on Gender Pay Gap. We recognise that there are numerous business benefits in having a good gender balance across all levels and in all roles.

On the date we took our data snapshot, we employed approximately 1430 people in a diverse range of roles covering retail, catering, craft baking, manufacturing and support functions. Our workforce is c. 44% male and c. 56% female, and our pay rates are based on job role. These are reviewed against a well-defined methodology including the benchmarking of roles with market data.

In 2021, our figures show that, year on year, both our Mean Gender Pay Gap and our Median Gender Pay Gap across the business have reduced to 19.1% and 17.6% respectively. Data from previous years can be found at <https://www.bettysandtaylor.co.uk/resources-and-policies/#gender>.

As in previous years, our gap continues to be largely driven by the demographics of our organisation,

with more men than women working in Taylors production roles and an under representation of men in Bettys frontline roles.

The factors underpinning our gap include:

- More women are employed in retail, catering and hospitality roles in Bettys – roles which make up a large proportion of our workforce. Within the sector as a whole, the flexible and local nature of frontline roles are typically more favoured by women. In 2021, 72% of Bettys roles were held by women and just 28% by men.
- Taylors – like many manufacturing businesses – employs a larger proportion of men in manufacturing operational roles. In 2021, men held 82% of Taylors production roles, whilst 18% were held by women.
- We continue to have a higher number of men than women in the highest paid senior roles in the business, including our Collaborative CEO and Leadership Teams.





If we reported on Bettys and Taylors businesses separately, we would have different results. As a standalone business, the Mean Gender Pay Gap for Bettys would be 10.1%, compared with a retail trade (excluding vehicles and motorcycles) Mean Pay Gap of 11.8%*. Taylors Mean Gender Pay Gap would be -0.2% (female pay gap) compared with a manufacturing industry Mean Pay Gap of 9.8%*.

When we analyse the data more closely, we can see that for 2021, the reduction year-on-year in the Bettys Mean Pay Gap has been a key driver of the decrease in the overall Group Mean Pay Gap. This is due to a number of factors which have led to increases in hourly rates of pay, including more of our people undertaking development opportunities and receiving secondment allowances. Because the majority of people working in Bettys are female, changes such as these are more likely to affect women, and therefore impact on the overall Group Mean Pay Gap.

It is also encouraging to see that the number of women in the highest paid leadership roles has increased year-on-year and we are also seeing a high representation of women on our development courses.

All our people play a role in our success

and are eligible for our Group Prosperity Scheme bonus. This is a profit-sharing scheme, paid each quarter, at the same percentage of salary for everyone. The small number of employees who did not receive a bonus largely represents recently recruited employees who, due to their start date, were not eligible for a bonus on the date we took our data snapshot (April 2021).

In line with reporting requirements, the Gender Bonus Gap compares the actual bonus paid to males and females. Unlike the Gender Pay Gap, the Bonus Gap does not take account of part and full-time contracts or whether a full-year or part-year was worked. A significant number of our people opting for a part-time contract are female (75%) and therefore more females than males receive bonus payments based on a part-time salary.

In 2021 our Bonus Gap figure increased compared to the previous year. In part, this was due to the fact that our 2020 figures included a £500 bonus to all employees – regardless of full or part-time status – paid as part of our family business centenary celebrations. Meanwhile, this year's data included a 'Frontline Bonus' for teams working on site in the early days of the pandemic – a bonus that was received by more men than women, due to the nature of their role.

To conclude:

We understand the reasons for our Gender Pay Gap however, the demographics within the business continue to be a significant factor influencing the Pay Gap which exists at Bettys & Taylors. Some elements of this are industry-wide issues which continue to head in the right direction, but progress will take time.

As part of our People and Culture strategy we have implemented a range of measures that recognise the needs of people from a wide range of backgrounds and personal circumstances, including: flexible and hybrid working; shift patterns and a standard working week that are more family friendly; a strong emphasis on nurturing wellbeing and good mental health in the workplace; and reviewing our approach to recruitment, progression and succession across the Group. We continue to keep learning from and responding to the data to ensure that none of our roles are gendered.



Progress over the last year

We remain committed to being a business that recruits, retains and progresses the best people. Over the last year we have continued to review and develop our working practices to ensure they are attractive and flexible in order to support everyone to be the best that they can be – for everyone's benefit. While some of these initiatives will not yet have influenced our Gender Pay Gap for this year, we hope to see the impact of these in the coming years.

CULTURE & WELLBEING

PROGRESSION & DEVELOPMENT

OUR APPROACH TO PAY

We are committed to creating a working environment that supports wellbeing and where we value everyone for the differences they bring. Initiatives launched in the last year include:

- Enhancements to our family leave policies: we've increased enhanced maternity, paternity and adoption pay, and have implemented enhanced shared parental pay to match the level of enhanced maternity/adoption pay available. Our Ordinary Parental Leave is also now more flexible for all our working parents. These changes recognise a modern, progressive approach will support men and women to share childcare and family responsibilities, which is one means to drive improvements in societal gender gaps over time.
- Flexible working: by offering more flexibility around hours and home or hybrid working, where possible, we're able to support our people to balance their personal circumstances with their career.
- Hosting wellbeing and awareness workshops, including mental health, menopause and men's midlife health, with the aim of promoting a more supportive and inclusive culture.
- Over 60 of our people now accredited as Mental Health First Aiders.
- Growing our Peer Listening programme to help support people within the business with any challenges or issues they might be experiencing.
- Introduced a Menopause policy and ongoing training support for our people.
- Holding Equality, Diversity and Inclusion workshops across the business – with independent expert support – to understand our people's perceptions of our workplace and help share our plans to create a more inclusive and diverse culture over time.
- Introducing a new carer's leave policy in April 2022.



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OUR APPROACH TO PAY

We have a strong programme of learning and development for all, supporting everyone to grow their careers and progress within the business. For example:

- High numbers of women on our learning and development courses.
- A programme of interviews with women across the organisation to better understand their experiences from a gender perspective.
- Executive Development and 1:1 coaching support are available to help our people grow and develop their careers.

“The People Leader Academy provided a supportive and reflective space that has given me new perspectives on ways of working and opened up a lot of options for me. I feel much more accountable for my own progression as a result.”

– Taylors delegate, People Leader Academy

“You get out of it what you put in and the sense of support as well as being able to support others within the group was very rewarding.”

– Taylors delegate, People Leader Academy

“The skills and strategies I've developed from the course have made me feel more empowered and strengthened my connections with others because I've been confident in my sense of self and my ability to effectively challenge.”

– Bettys delegate, People Leader Academy



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CULTURE & WELLBEING

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OUR APPROACH TO PAY

We have a guiding principle of an equitable, egalitarian and inclusive approach to reward. In the year gone by we have:

- Removed the under 21 pay rate to support recruitment and fairness.
- Reviewed the length of our working week and moved towards a consistent approach across the Group. This has reduced the contracted hours worked for many people already, with the aim of having everyone on their new working patterns by April 2022.
- Increased our hourly rates so they now exceed the voluntary Real Living Wage as set for 2022.
- Completed a full review of our pay and benefits approach, identifying areas for focus in the future.
- Paid all our people in full, without relying on public funds, even when parts of the business were closed due to the Covid 19 pandemic.

Hearing from our people

We have also continued to listen closely to our people using the feedback to strengthen our business and culture for the future. Our last annual Happiness at Work Survey revealed that:



86% of people felt proud to work for Bettys & Taylors.



Five year reflection

With five years of data behind us, 2021 presents a timely opportunity to reflect back on work we have done and progress we have made.

The COVID-19 pandemic forced significant changes in how businesses work in all sectors. At Bettys & Taylors we have demonstrated how adaptable we can be and have a much greater understanding of how flexible working can be beneficial for our people and for our business. It's been a period when our values have helped us navigate not just the everyday but the extraordinary.

This is now a unique opportunity to retain these lessons for all our people, and build on these positive impacts in order to continue to make progress to ensure our work practices, processes, opportunities and rewards are fair for all and where everyone can thrive.

By driving a stronger culture of equality and inclusion across our company, we firmly believe we can further reduce our Gender

Pay Gap and make lasting change to support our continued sustainable growth, ensuring that the people who work for us feel a sense of belonging and that we value everyone for the differences they bring.

I confirm that these figures have been reviewed by our Collaborative CEO and that we continue to use the annual Gender Pay Report as an opportunity to review our performance and practices when it comes to creating a fair and equitable workplace.



Paul Cogan
Group Finance & Resources Director