

GENDER PAY REPORT

2020



Family Butchers
Warburton's



AT Warburtons, we pride ourselves on creating a positive and values-based culture where all our people feel fairly treated, engaged and valued. Since we began reporting on gender pay, we've continued to take more positive steps towards encouraging diversity in our workforce and changing the perceptions of roles within the industry.

2020 was a highly unusual and challenging year which impacted businesses in very different ways. For Warburtons it was an incredibly busy year and we are tremendously proud of the way our colleagues – especially those on the front line, producing and delivering our products – stepped up in the effort to feed the nation.

More than ever, it's our people who make the difference at Warburtons. Despite the challenging circumstances of the pandemic, with colleagues working flat out and many adapting to working remotely, we have stayed true to our family values and remained focused on creating a workplace where everyone matters, regardless of gender or background.

We adapted our approach to ensure that our annual Women in Leadership event, Senior and Junior Female Talent programmes and our Female Technical Support Groups continued to progress and add value for our current and future women leaders. We've also introduced new HR technology and revised our people processes, which will enhance insight and help us to focus on the areas that will have the greatest impact on diversity of talent, skills and progression.

Growth in our Distribution division has brought significant recruitment activity, as we opened three new depots across the country. Throughout this we've sought to actively recruit drivers and add to our talent pool, regardless of gender.

As a family business with strong values, many people tend to enjoy long careers with Warburtons, which means our gender pay position changes slowly. Whilst we are proud of the work we have done and continue to do to steadily improve our gender pay position, there have been other factors in this reporting period in particular. Like many businesses, we have experienced higher than normal absence due to Covid but also some senior males either reached retirement or have left for external opportunities. Their replacements, in the main, have started in a subsequent reporting period and this has impacted the results in this report."

Susan Yell,
HR Director



'We believe in making sure we have the right people, in the right roles, and that they are rewarded for the skills and contribution they make. To do this we are continually looking at the way we operate to ensure that we can make working at Warburtons an option for everyone, regardless of their gender or background.'

Neil Campbell,
Managing Director

WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference between the average pay of men and women. Having a gender pay gap is not unlawful as various factors influence the gap such as the types of roles women undertake and the demographics of the people at the company. All UK companies employing 250 people or more are required to report on their gender pay gap for 2020 by 5th October 2021.

THE GENDER PAY GAP IS DIFFERENT FROM EQUAL PAY

'Equal Pay' is where men and women are paid different rates of pay for performing the same role, a similar role or a role which is of equal value. It is unlawful to pay men and women different rates of pay for doing the same/similar role or a role which is of equal value.



WHAT DO WE HAVE TO REPORT ON?

The regulations require organisations to report on the mean and median gender pay gap, the mean and median bonus gap, confirm the percentage of men and women who received a bonus and also provide details on the gender balance of our work force based upon quartiles.

THE MEDIAN PAY GAP

A median is the midpoint of a population. So simply, if you created two lines – one with all the women in a company, and the other with all the men, the median pay gap is the difference in pay between the middle person in each line.



MEAN PAY GAP

The mean gender pay gap is the difference between the average pay of men and women in a company.



OUR RESULTS

At Warburtons we have over 4,700 people working across our 11 bakeries, 18 depots and Centre functions that play a vital part in making us Britain's largest bakery brand. People tend to stay at Warburtons for a long time so we expect our results to change gradually.

GENDER PAY GAP



-2.6%

Our **mean** hourly pay for women is **2.6%** more than men (2019: 1.6%)

2.5%

Our **median** hourly pay for women is **2.5%** less than men (2019: 5.1%)



14.6%

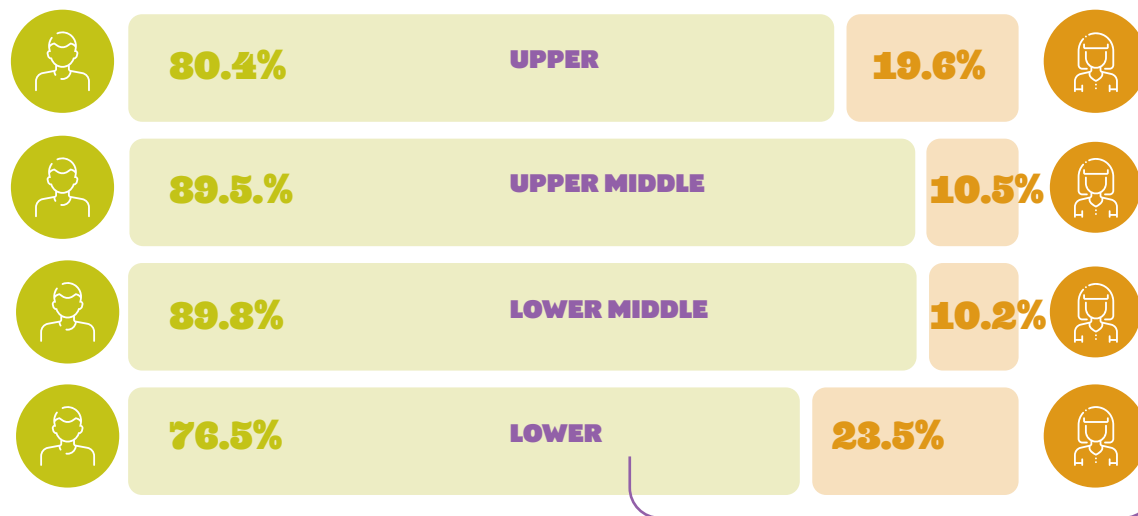
The National mean hourly pay shows that women earn **14.6%*** less than men.

15.5%

The National median hourly pay shows that women earn **15.5%*** less than men.

POPULATION PAY BY QUANTILES

This is calculated by organising the pay rates from the lowest to the highest paid employees and splitting them into four equal sized groups called quartiles. The chart shows the percentages of men and women in each quartile.



GENDER BONUS PAY GAP



13.0%

The **mean** bonus pay gap is **13.0%** higher for men than that of women (2019: 17.9%)



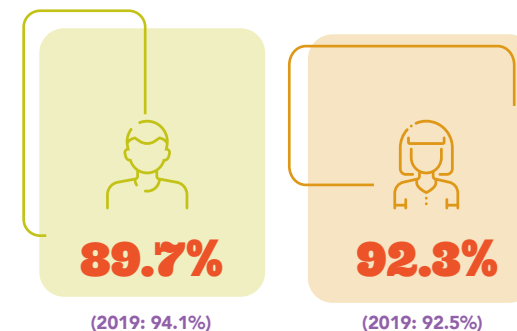
33.2%

The **median** bonus pay is **33.2%** higher for men than that of women (2019: 31.5%)



PROPORTION OF MEN AND WOMEN PAID A BONUS

Rewarding our people is important to us and around 90% of employees receive a bonus, primarily through our Profit Share scheme. The Warburtons Profit Share is designed to reward loyalty and therefore includes an element based on length of service, and as we have a higher proportion of longer serving men, this drives their profit share up and creates the gap.



OUR VALUES

We have a rich history that spans over 140 years and take great pride in being a values driven fifth generation family business. People are at the heart of our business and our concept of family extends beyond those with the surname Warburton. Our family is made up of over 4,700 people, that all work together to create our success. From our bakers to our delivery drivers, each individual that works within our 29 sites across the country help us to be the successful business we are today.

At Warburtons, we believe in offering equal opportunities for all. That's very much at the centre of our values driven culture. We recognise that there is work to be done to ensure more equal representation across our business and we continue to make progress on our plans to attract talent from more diverse backgrounds while also ensuring that we create opportunities for all our people to progress and learn.



WE ARE VERY PROUD OF OUR VALUES DRIVEN CULTURE AND BELIEVE PEOPLE ARE OUR MOST SPECIAL INGREDIENT.

THEY HAVE MADE OUR BUSINESS WHAT IT IS TODAY. EVERYONE THAT WORKS HERE IS VERY MUCH PART OF THE WARBURTONS FAMILY.



Ross, Jonathan & Brett Warburton



OUR CULTURE

- Continuously evolving and improving our culture to encourage a more diverse workforce and to provide fair and equal opportunities for everyone
- Focus on fulfilling potential regardless of gender or background
- Creating high performing and engaged teams
- Ensuring fair pay & reward practices
- Continuing to improve the choice and flexibility of how people can work in our business



TALENT DEVELOPMENT

WHAT ARE WE ALREADY DOING?

- Continued to support our Women In Leadership and Operational Junior Female Talent groups despite the COVID restrictions
- Held virtual sessions and webinars with these groups to develop resilience and wellbeing to cope with the challenges presented by working in the pandemic, leading remotely and balancing home and work life
- Developing our Diversity and Inclusion strategy 'Everyone Matters' at Warburtons, to create an environment where everyone, regardless of gender or background can belong and bring their best self to work
- Identifying the key touchpoints of the employee lifecycle from attracting diverse talent to developing diverse talent and enabling everyone to thrive

THE FUTURE

- Developing a more inclusive culture which will include raising awareness of unconscious bias and enabling Managers to have better conversations through coaching
- Continuing to invest in new technology to support performance, goals and succession



RECRUITMENT

- Implemented a centralised recruitment team to ensure an efficient, consistent and inclusive recruitment service
- Invested in new 'best in class' recruitment technology to enable a better candidate experience
- Developing our social media presence and capability to appeal to a more diverse range of next generation talent
- Continuing to challenge perceptions and offering new routes into our driving roles and our apprentice programmes

- Embed our new recruitment model to promote diverse and inclusive recruitment activity
- Continue to focus on the candidate experience
- Successful female driver recruitment and build on the 11 female drivers recruited over the last 12 months into our Driver Academy, HGV C (Class 2) and HGV C+E (Class 1)

