

GENDER PAY REPORT

2021





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.

"Like many businesses, Warburtons faced into new challenges in 2021. Along with the Covid pandemic continuing to impact our daily working lives, we felt the impact of national labour shortages. We continue to be incredibly proud of the way people in the business dealt with these challenges, displaying resilience and resolve, and staying true to our family values.

We chose to show our gratitude for our front-line key workers, who were working hard to feed the nation during the pandemic, through additional recognition payments. These payments show in our gender pay reporting as a higher percentage of both men and women receiving bonuses in the period.

Overall we are pleased that our gender pay gap is small compared to national averages. But we recognise there is always room for improvement and we're committed to driving positive change by developing female talent and trying to recruit more women into traditionally hard-to-recruit areas. Despite the pandemic we've remained focused on our internal female talent development programmes and we have had some success with recruiting women into our apprentice programmes.

We are also pleased to have recently launched our brand-new school education programme 'Bake the Most of Life'. This new programme provides teachers and parents across the country with curriculum-linked resources that helps to teach primary and secondary school age children about different career opportunities in the food industry, regardless of background and gender.

We are fortunate that many people choose to build long careers at Warburtons, but this also means that change takes time to permeate throughout the business. We are confident further positive change will come through our focus and commitment to ensuring fairness for everyone; something we are now supporting across the industry as a sponsor of GroceryAid's 2022 Diversity and Inclusion programme."

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 2021 by 5th April 2022.

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 4,800 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



0.3%

Our **mean** hourly pay for women is **0.3%** less than men (2020: - 2.6%)

4.2%

Our **median** hourly pay for women is **4.2%** less than men (2020: 2.5%)



14.9%

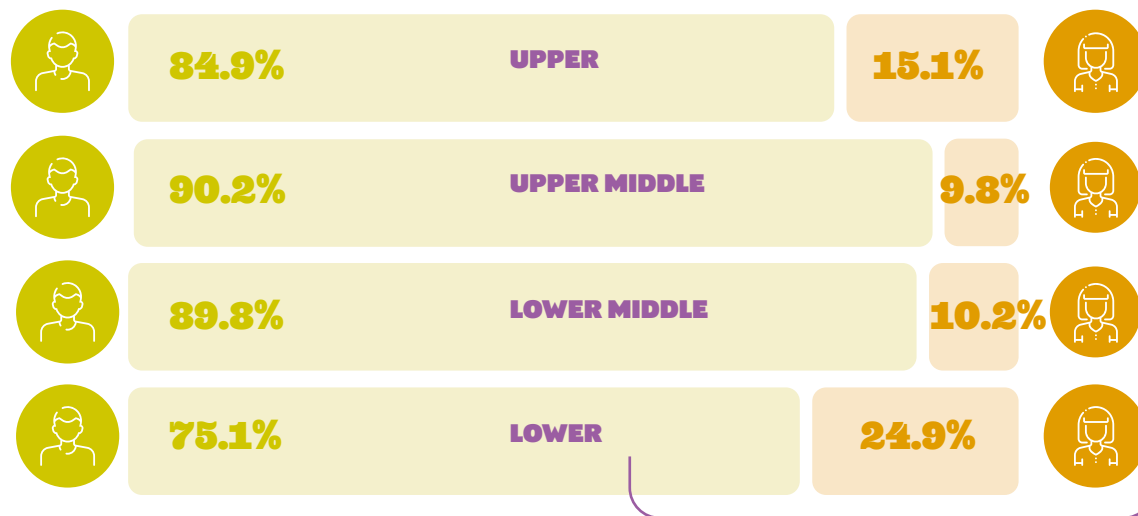
The National mean hourly pay shows that women earn **14.9%*** less than men.

15.4%

The National median hourly pay shows that women earn **15.4%*** 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



5.0%

The **mean** bonus pay gap is **5.0%** higher for men than that of women (2020: 13.0%)



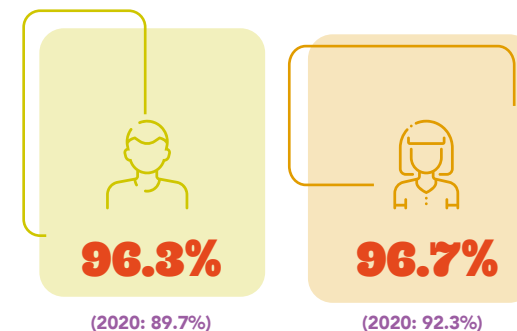
24.5%

The **median** bonus pay is **24.5%** higher for men than that of women (2020: 33.2%)



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 4,800 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 FAMILY.



The Warburton Family



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



RECRUITMENT

WHAT ARE WE ALREADY DOING?

- Implementing new technology to support performance, goals and succession, enabling better visibility of our talent pipeline, succession plans and gaps
- Embedding new technology to better enable managers to focus on quality conversations with employees, discussing performance, behaviours, feedback and wellbeing
- Launching a programme to build a strong pipeline of future operational leaders, offering individual focused development and career guidance
- Developing our social media presence to appeal to a more diverse range of next generation talent
- Embedding the new recruitment model to further promote diverse and inclusive recruitment activity
- Continuing to challenge perceptions and offering new routes into our driving roles and our apprentice programmes
- The last 12 months has seen 27 female drivers recruited into our Driver Academy, HGV C (Class 2) and HGV C+E (Class 1)

THE FUTURE

- Becoming a sponsor partner for the grocery industry's largest D&I community through GroceryAid, providing opportunities to connect, learn, inspire and change via monthly learning events, industry networking opportunities and online resources
- Continuing to develop the female operations talent group and provide more networking and development opportunities
- Building on the momentum of the recruitment of experienced female drivers and the development of females into these roles through our Driver Academy
- Further develop our apprenticeship programmes in those hard-to-recruit roles to be attractive to a diverse population
- Continue to focus on the candidate experience

