

GENDER PAY REPORT

2022



Warburtons
Family Butchers



AT Warburtons, we pride ourselves on creating a positive, values-based culture where all our people feel fairly treated, engaged and valued. 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. 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.

"A new year brought new challenges for our family business none more so than managing the impact of extremely high inflationary pressure on the things we use the most of, gas, electricity and fuel. This, plus the ongoing challenges in the labour market, made 2022 another difficult year for us and most businesses in the UK. However, we remain ever proud of how our people, throughout every part of our business, continue to demonstrate incredible resilience and determination to support us.

Overall, we are pleased to see we have made improvements on our gender pay gap, which remains small compared to national averages. The driver recruitment market continued to be challenging, and so we chose to make additional bonus payments across our driver population who, similar to the rest of the UK logistics industry, are predominately male. These payments show in our gender pay reporting as a higher percentage of men than women received a bonus in the period and contributed to the overall bonus gaps.

However, we continue to be fully committed to recruiting more women into traditionally hard-to-recruit areas. We are pleased with the progress we are making in attracting more females to take up driver positions and to join as apprentice engineers. In the last 12 months we have seen a 50% increase in female drivers joining the business and have recruited four times as many female apprentice engineers into the business than in the previous 12 months. We are also pleased to have increased the number of women in senior positions in the business and remain focused on internal female talent development.

The culture and values of our 5th Generation family business is something that sets us apart and helps to attract and retain talent. Building understanding for who we are as a business, and what we stand for, is therefore important. Supporting our communities across the country is something we have always done, and to help us tell people about the wonderful work we do, we were proud to launch The Warburtons Foundation last year.

We are fully focused and committed to ensuring Warburtons continues to be a great place to work. We aim to create a sense of belonging and to support people to be the best version of themselves regardless of gender or background. We never rest on our laurels and are always looking at how we can continually improve what we do. I am proud of the improvements we are making on our gender pay gap, but the work doesn't stop here."

Susan Yell,
HR 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 2022 by 5th April 2023.

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 4,900 people working across our 11 bakeries, 14 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



-2.7%

Our **mean** hourly pay for women is **2.7%** more than men (2021: 0.3%)

3.4%

Our **median** hourly pay for women is **3.4%** less than men (2021: 4.2%)



13.9%

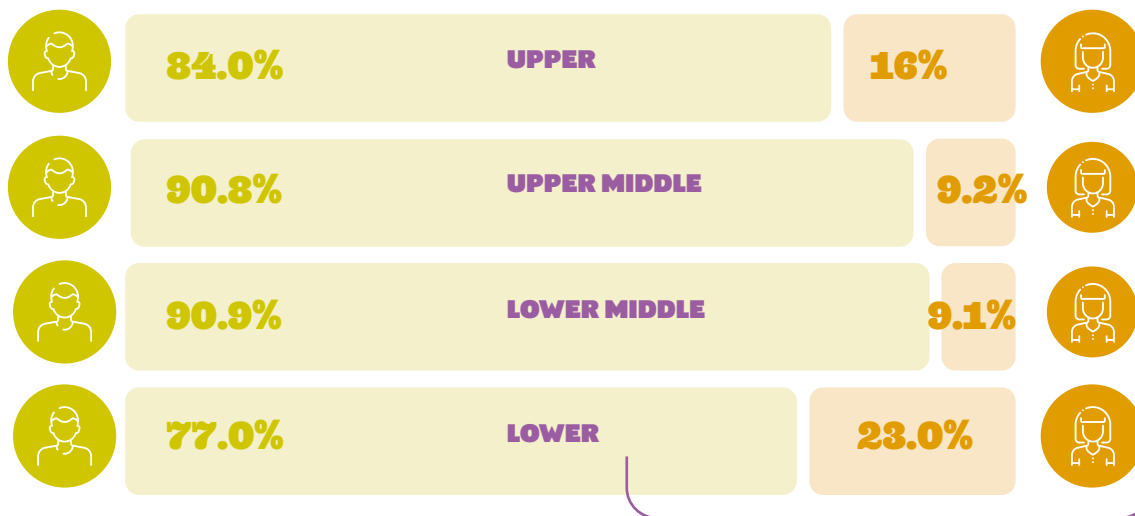
The National mean hourly pay shows that women earn **13.9%*** less than men.

14.9%

The National median hourly pay shows that women earn **14.9%*** 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



5.2%

The **mean** bonus pay gap is **5.2%** higher for men than that of women (2021: 5.0%)



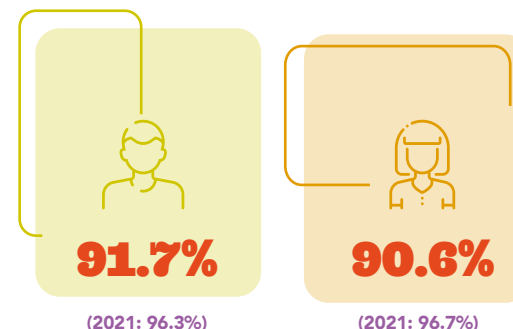
38.2%

The **median** bonus pay is **38.2%** higher for men than that of women (2021: 24.5%)



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.



(2021: 96.3%)

(2021: 96.7%)

OUR VALUES

We have a rich history that spans over 145 years and we 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 4,900 people, that all work together to create our success. From our bakers to our delivery drivers, each individual that works within our 26 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.

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



The Warburton Family



OUR CULTURE

HOW ARE WE DRIVING 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?

- Implementing new technology to support performance, goals and succession, enabling better visibility of our talent pipeline, succession plans and gaps
- Created our Driving and Engineering Academies to enhance our ability to attract, retain and grow our pipeline of talent through a great Warburtons development experience
- Launching a programme to build a strong pipeline of future operational leaders, offering individual focused development and career guidance



RECRUITMENT

- Continuing to develop our social media presence to appeal to a more diverse range of next generation talent
- Utilising the recently developed Driving and Engineering Academies to attract more diverse talent. Through this we have recruited 50% more females into driver roles this year and four times as many compared to 5 years ago
- Recruited four times as many females into our Engineering Academy than in 2021
- We are pleased to have increased the female representation in the senior leadership team by the recruitment of a female Distribution Director

WHAT ARE WE WORKING ON FOR 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
- We have plans to develop the female operations talent group and provide more networking and development opportunities
- Further develop our D&I strategy, setting out clear objectives and ambitions and develop a D&I Dashboard to demonstrate improvements and highlight areas of focus
- Complete an end-to-end review of our resourcing technology, process and ways of working to include channels to market, screening questions, interviews and Hiring Manager capability
- Launch of online learning materials to support hiring managers around bias

