

BAKKAVÖR



**UK GENDER PAY
REPORT 2019**

UK Gender Pay Report

We firmly believe that having a diverse and inclusive workforce is the right thing to do for our people, our organisation and the communities that we operate in, and it helps drive innovation and continuous improvement as a business. As with everything that we do, we want to keep raising the bar by not only reducing the gender pay gap but also advancing equality across the business.

We're committed to equal opportunities in all our employment practices from recruitment and training to development and promotion. A core contributor to our success is the emphasis we place on teamwork and equal opportunity for all our employees. This report summarises our UK gender pay position for 2019 and looks at the progress we've made since 2018 and what we're focussing on going forward.

Our overall median gender pay gap for 2019 has improved from 8.4% to 7.3% whilst our mean pay gap has increased compared to 2018. However, this is well below the UK national figure of 17.1% (ONS, October 2018). This is partly due to the changes we've made across our business in terms of adjustments and acquisitions and partly due to the change in the number of males and females.

In common with other employers, whilst the data is nuanced, the overall reason for the gender pay gap is an under-representation of women at senior levels and a higher number of women in more junior levels. We know that there is more that we can and need to do and the positive changes we're making, will take time to embed.

The 2019 numbers and statistics

The information below is the statistical data about our UK gender pay gap, published in line with the annual requirement.

It covers:

- A. Our gender pay gap – median and mean
- B. Our gender bonus gap – median and mean
- C. The proportion of males and females in each pay quartile

The results focus on the UK segment of Bakkavor Group as a whole, which is the best indicator of our overall gender pay position. This includes the information for all our employing companies with over 250 employees.

A. Our gender pay gap – median and mean

| | 2019 | 2018 |
|-----------------------|-------|------|
| Median gender pay gap | 7.3% | 8.4% |
| Mean gender pay gap | 10.7% | 9.9% |

B. Our gender bonus gap – median and mean (proportion of males/females receiving a bonus payment)

The underlying gender bonus gap reflects the higher proportion of males in senior roles

| | 2019 | 2018 |
|------------------|-------|-------|
| Median bonus gap | 14.9% | 11.6% |
| Mean bonus gap | 13.6% | 60.7% |

During the last 12 months we have:

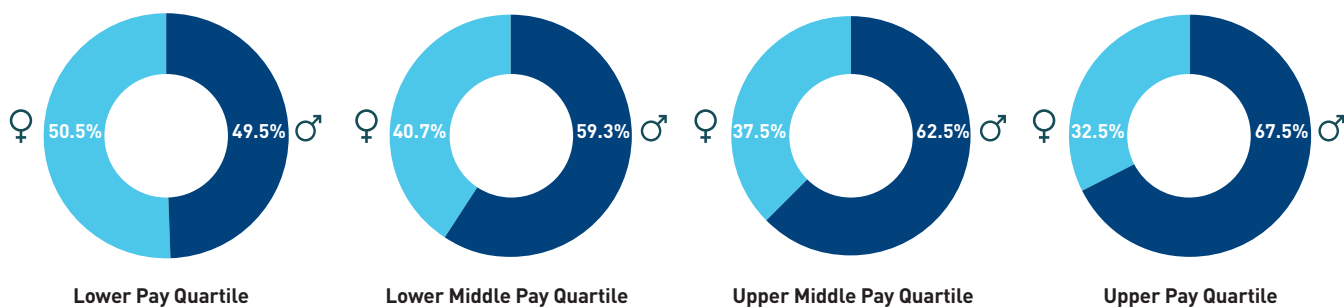
- Piloted flexible working initiatives across a number of our sites
- Introduced a mentoring programme where leaders help prepare junior female managers for more senior roles
- Looked into how we can improve inclusion and diversity across the business
- Taken positive steps to look at succession planning and our talent pipeline internally
- Implemented an enhanced maternity pay policy

Looking to 2020 and beyond, we're focussing on:

- Continuing to monitor and review our diversity metrics to ensure equity in our reward arrangements at all levels, starting with a pay and benefits structure review
- Developing a new approach to talent, potential and performance management to help remove barriers to career progression
- Launching a new inclusion and diversity policy
- Launching our first 'diversity in grocery' initiative aimed at under-represented groups
- Driving our inclusion training programme at site level, which focuses on unconscious bias and subjectivity
- Reviewing our flexible working pilot to support and promote retention and career progression
- Continuing to focus on gender diversity at entry level, particularly our graduate and apprenticeship programmes.



C. Pay quartiles – proportion of male and female employees



D. Summary of gender pay and bonus data

This a summary of the gender pay and bonus data for Bakkavor UK including those companies which have a statutory reporting requirement, namely those who have more than 250 employees.

| 2019 Gender Pay figures | | | | | | |
|--|-------------|-------|---------|-------|------------------------|-------|
| | Bakkavor UK | | Haydens | | Bakkavor Foods Limited | |
| Median Gender Pay Gap | 7.3% | | 0.0% | | 7.6% | |
| Mean Gender Pay Gap | 10.7% | | 8.4% | | 10.8% | |
| Median Gender Bonus Gap | 14.9% | | - | | 14.9% | |
| Mean Gender Bonus Gap | 13.6% | | - | | 13.6% | |
| | M | F | M | F | M | F |
| Proportion of Males and Females Receiving a Bonus | 2.4% | 2.0% | - | - | 2.5% | 2.1% |
| Proportion of Males and Females in Lower Pay Quartile | 49.5% | 50.5% | 65.0% | 35.0% | 48.9% | 51.1% |
| Proportion of Males and Females in Lower Middle Pay Quartile | 59.3% | 40.7% | 58.3% | 41.7% | 59.3% | 40.7% |
| Proportion of Males and Females in Upper Middle Pay Quartile | 62.5% | 37.5% | 73.3% | 26.7% | 62.0% | 38.0% |
| Proportion of Males and Females in Upper Pay Quartile | 67.5% | 32.5% | 65.8% | 34.2% | 67.9% | 32.1% |

We confirm that the information reported is accurate and in accordance with the UK Governments Equality Act 2010 (Gender Pay Gap Information) Regulations 2018 and we look forward to reporting on progress against our focus areas next year.

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Group HR Director

