



GENDER PAY GAP REPORT 2022/23



WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference between the average earnings of men and women across a workforce. In many places, sectors and roles, men have earned (and continue to earn) more than women, even when the work is comparable. As well as being unfair, this imbalance serves to perpetuate gender-based stereotypes and discrimination. Reducing the gender pay gap, as well as being the right thing to do, increases productivity.

In the UK, the gender pay gap has narrowed considerably in the last decade, since the introduction of the Equality Act 2010 and further, gender-specific regulations. Indeed, some segments of the population now have women earning more than men. The aggregate picture, however, is still one in which the average man earns more than the average woman.

WHAT DO WE HAVE TO REPORT?

Publicly reporting differences in pay between male and female employees has been shown to impact the gender pay gap. Since 2017, UK-based companies with more than 250 employees have been required to report their gender pay gap. This involves compiling the following data:

- The percentage of men and women in each earnings quartile
- The mean (average) gender pay gap, based on hourly pay
- The median (middle) gender pay gap, based on hourly pay
- The percentage of male and female employees awarded a bonus
- The mean (average) gender pay gap for bonus pay
- The median (middle) gender pay gap for bonus pay

Companies collate these figures based on their payroll data as at 5 April each year (known as the snapshot date).

MEAN VS MEDIAN

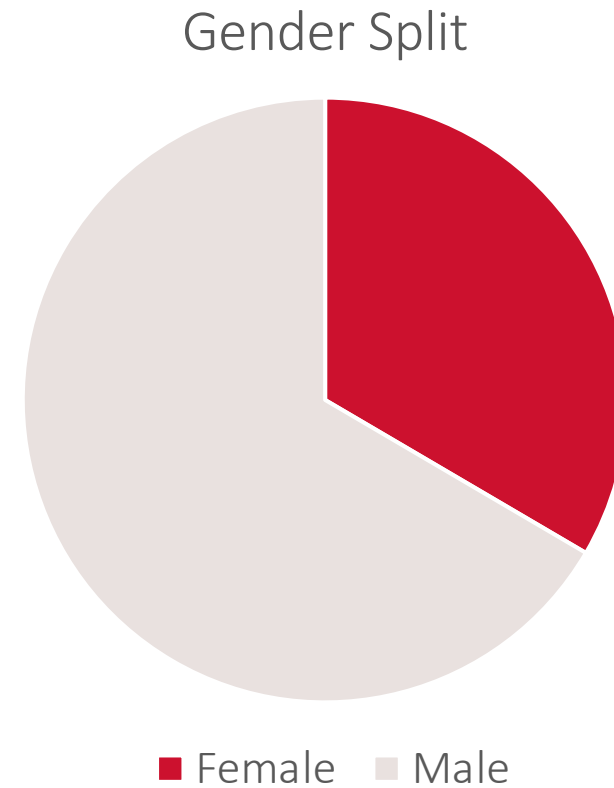
The **mean** is calculated by adding all the hourly pay rates (or bonuses) for all female employees, then dividing the total by the number of female employees. This can then be compared with the mean hourly rate for men, which is calculated in the same way.

The **median** is the middle point between the highest hourly rate and the lowest hourly rate. While this is still important, the mean (average) rate is the most useful. This is because the median role for female employees may be at a different level to the median for male employees.

OUR STATUTORY REPORT



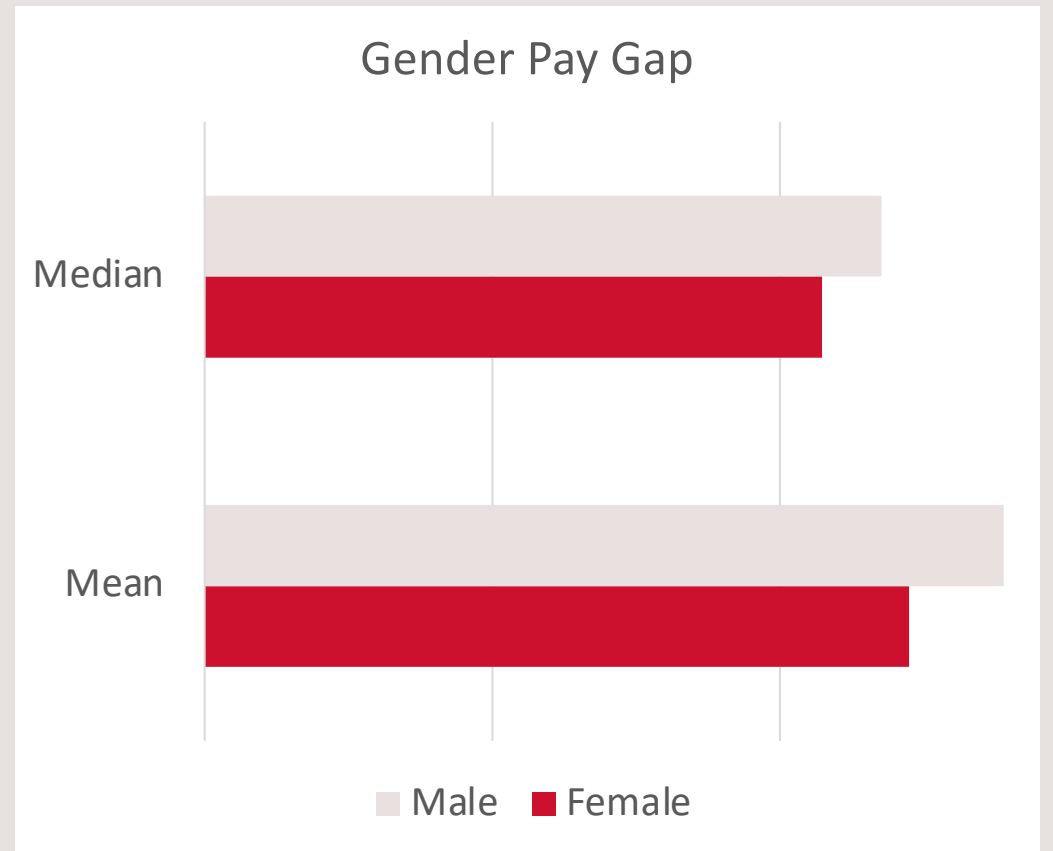
On the snapshot date, TBF employed a total of 912 people, of which 305 were women and 607 were men (33 per cent and 67 per cent, respectively).



GENDER PAY GAP



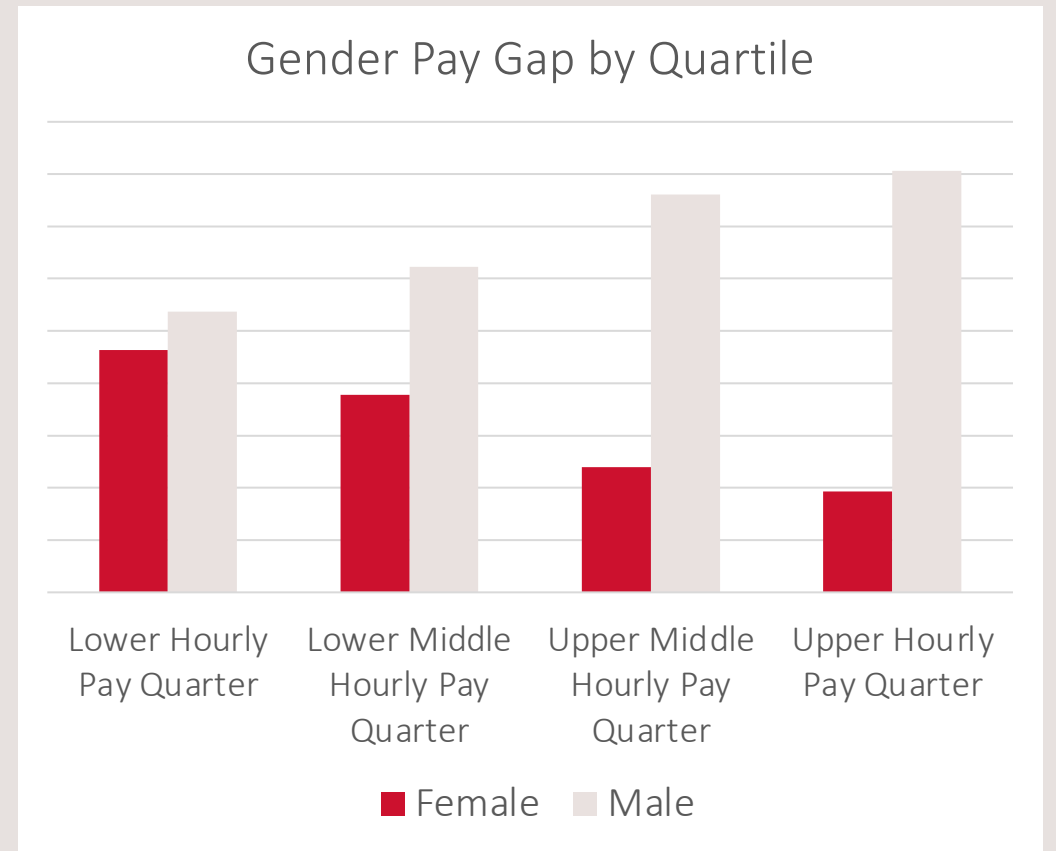
The *median* pay gap was nine per cent, meaning the middle-earning female employee earned nine per cent less than the middle-earning male employee. The *mean* pay gap was 12 per cent, which means the average female employee earned 12 per cent less than the average male employee.



GENDER SPLIT BY PAY QUARTILE



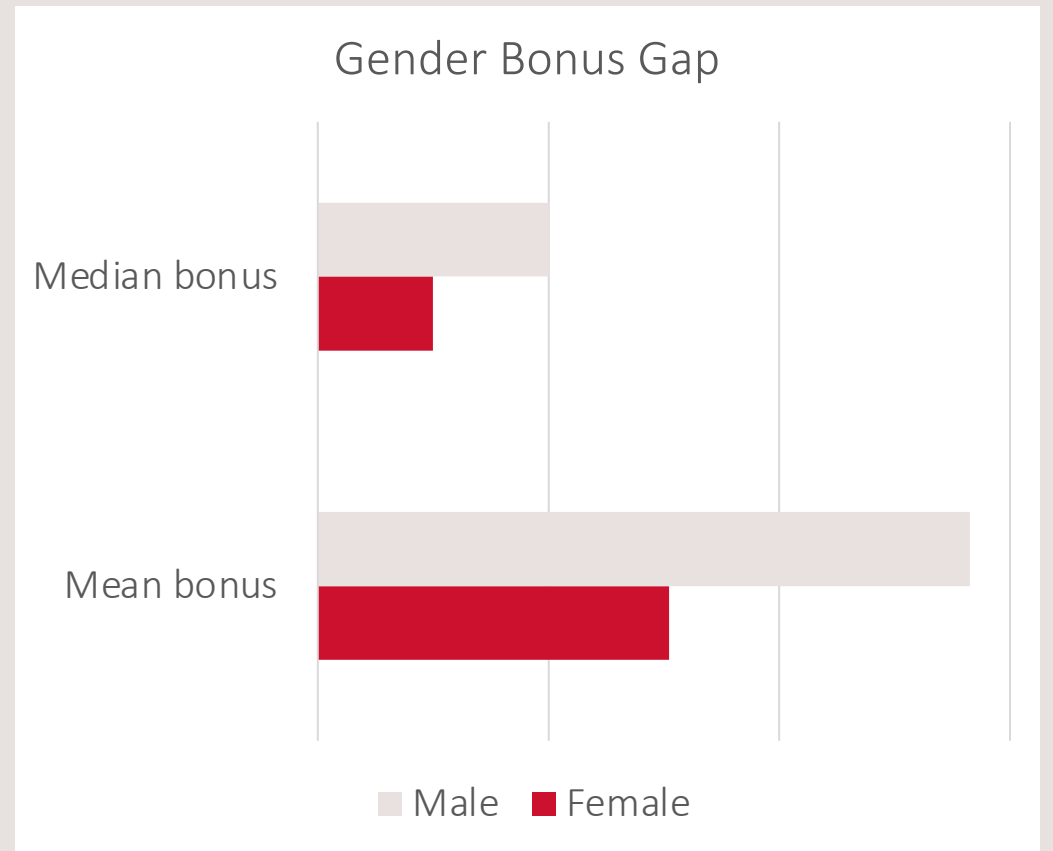
When we divide employees into pay quartiles, we can see that men are paid more than women at all levels. Higher paid roles are disproportionately occupied by men, with the widest gap at the highest level of pay.



GENDER BONUS GAP



At the time of the snapshot, 75 per cent of all staff had received a bonus in the previous 12 months; the proportion was equal for both men and women. The *median* bonus paid to a woman was 50 per cent lower than the median paid to a man. The *mean* female bonus was 46 per cent lower than the mean male bonus.



BENCHMARKS



We compare our results to those of our sector and the nation as a whole as a guide to our performance.

The Office for National Statistics reports that the gender pay gap for all employees in the UK continues to narrow, and now stands at 8.3 per cent. The gap is driven (at least in part) by the under-representation of women at managerial and/or higher paid roles.

In our sector ('Food preparation and hospitality trades'), the gender pay gap is much lower – around two per cent. This narrow variance is driven mainly by the national minimum wage, with the majority of staff in this sector typically employed at or slightly above this floor level.

We currently pay above the National Minimum Wage for all roles.



COMMENTARY



Last year, our median pay gap was ten per cent, and our mean pay gap eight per cent. Since then, the median has decreased slightly, to nine per cent, and the mean has increased to 12 per cent.

Our results for the four pay quartiles are commensurate with previous years, with many more men occupying higher-paid roles than women. This has worsened since last year; more senior roles were filled by men, and those roles earned more than women in the same quartile.

As noted in previous years, baking can be a physically demanding occupation, with many roles better suited to taller, stronger workers. This has led to an historic skew towards men at TBF; they have then been promoted into more senior roles, widening the gap.

Because of our organisation structure, three senior leadership roles held by women work across the whole group, but are counted towards our retail business (GAIL's) rather than TBF. Accounting for these roles differently would have an impact on the disparity in pay for senior roles.



ACTION PLAN



Our gender pay gap performance has declined a little since last year, and is now no longer on the right side of the industry average. We recognise we need to do much more to reduce the gender pay gap across all metrics. To do this, we will improve pay and benefits, develop our employee value proposition, and tackle bias. We have identified a lack of data on the gender split at application, interview and appointment, which we will start to monitor this year, to provide greater insight into our performance.

Pay and benefits

Since the last report, have reviewed and harmonised pay bands across our support centre teams, leading to greater transparency about salary both internally and when advertising roles. We have enhanced our maternity leave and sick leave provisions, as we believed these discouraged female applicants. We have also implemented clear bonus and remuneration guidelines based on roles and deliverables, rather than being negotiated on an ad hoc basis. These enhancements will take time to impact our gender pay gap.



ACTION PLAN



Employee Value Proposition (EVP)

Historically, all contracts have been full-time, which we believed to offer the best job security and pay. Covid saw us introduce more flexible working arrangements and some part-time contracts. We will do more of this, as it benefits our operations and means we can recruit from a wider range of applicants. Since the last report, we have introduced a default hybrid-homeworking policy for all staff. We also encourage employees to request additional flexibility; for example, we have implemented compressed hours for a female colleague to enable her to return to work after maternity leave.

We are working on our employer branding, recruitment campaign approach and EVP to target a broader cohort of applicants, more effectively. We will work closely with team leaders to ensure shifts finish on time to enable colleagues to meet out-of-work commitments.

We have started delivering an apprenticeship with an equal gender split, and a younger age profile than our typical recruits. We have also introduced targeted support (such as English language lessons) to enable junior female colleagues to progress to leadership roles.



ACTION PLAN



Investing in diversity

We have invested significantly in our recruitment team since the last snapshot date, and have brought more of this process in-house to give greater control and transparency on the hiring process. We have updated the recruitment and appraisal processes to mitigate bias among hiring managers and to encourage internal development.

Addressing the gender pay gap at TBF is an agreed strategy with short- and long-term interventions planned. Although we have yet to move the needle on our figures, we believe this action plan will show success in the coming year. Since the last snapshot date, we have appointed female applicants to three executive roles, and we are hopeful this visible commitment to gender parity will percolate through the whole organisation in the coming months.

