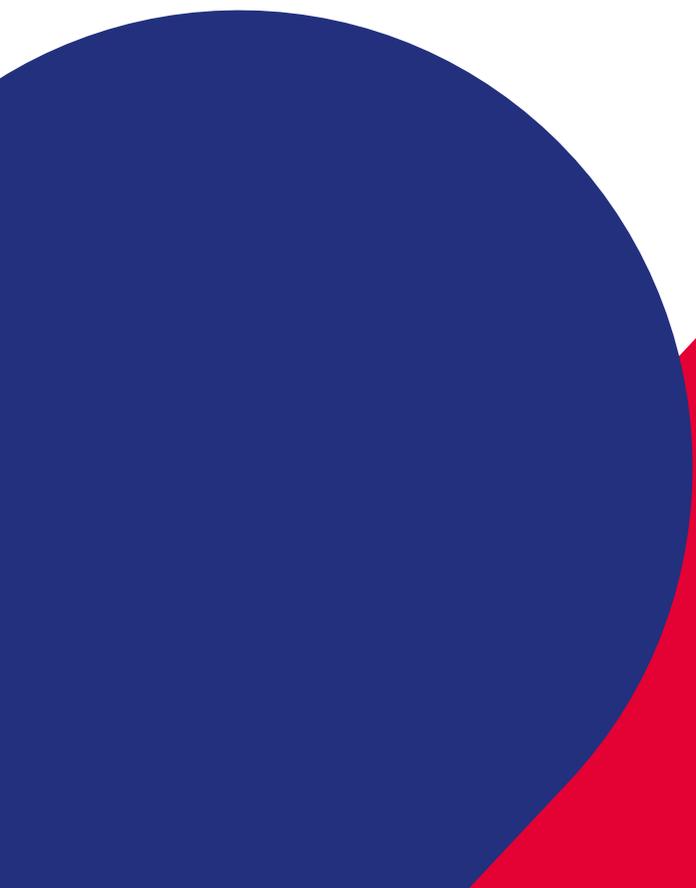


**pladis**

# Gender Pay Gap Report 2017



# Introduction

On behalf of pladis<sup>1</sup> we are pleased to publish our UK gender pay gap (GPG) report for April 2017.

We have around 4,700 colleagues in the UK – nearly 4,000 are part of our Supply Chain working to bake our much-loved biscuits and snacks in our factories up and down the UK. Almost one in four have been with us for 20 years, and one in eight for 30 years.

Diversity and inclusion is central to everything we do and is reflected across our business. Our biscuits and snacks cater for our wide range of consumers who enjoy them day in, day out – from a classic Jacob's Cream Cracker to our new McVitie's Nibbles. We recognise that we need diversity in our teams too – we couldn't create our much-loved products without our end to end team, from our pladisians developing ideas in our Innovation Centre to the bakers at the heart of our business.

Our factories are embedded parts of local communities, who we're proud to support. For example, our teams help sixth formers prepare for job interviews, and our annual 'Make Happy Be Happy' Day sees each of our factories and

offices come together to raise money to bring happiness to disadvantaged children.

When it comes to diversity in the UK, we're proud of some key success stories. Of our seven factories, three have female general managers leading their teams, and when we look at our graduate cohort for 2017, over 50% are female. We're also proud signatories of the MIND Time to Change Pledge and have committed to support the positive mental health of our people.

Despite these successes – and the fact that our gender pay gap is significantly below the overall UK pay gap published by the Office of National Statistics – we recognise that there is still more to do to improve female representation at senior levels within both our Supply Chain and our Corporate Functions. We are determined to address this challenge, and we are proud to use this report to share our plans.

We are fully committed to making pladis the employer of choice for colleagues of all backgrounds and are excited by the journey we are on. We confirm the data in this report to be accurate.



**Nick Bunker**

Managing Director,  
pladis UK & Ireland



**Erica Coletta**

Chief Human Resources Officer,  
pladis



## About pladis:

Formed in 2016, pladis is one of the world's leading snacking companies and home to loved brands including McVitie's, Ulker and Godiva. We're proud stewards of over 300 years of family baking and confectionery experience, and we are passionate about collaboration, creation, and ultimately fulfilling our promise; 'to bring happiness to the world with every bite'.

## Difference between equal pay and gender pay gap

The gender pay gap is the measure of the difference between men's and women's hourly earnings in a company. This includes base pay, allowances and any other bonus and incentive pay paid in April 2017. The gender bonus gap is the difference in all incentive pay received by men and women in the 12 months up to April 2017. This includes all bonuses, long-term incentives and sales commission payments.

The gender pay gap in the UK should not be confused with ideas of 'equal pay' and 'pay equity'. These are legal requirements to pay men and women the same for performing the same work, and have been in place in the UK for over 40 years. This new Gender Pay Gap disclosure is about bringing attention to issues that drive the gap, namely fewer women in senior positions, and men predominating in specialist positions that can carry a premium in the market.

## How results are calculated

### Mean and median compared

**MEAN:** The mean is calculated by adding up the total pay of employees and dividing by the employees in the list. This calculation is completed separately for men and women and the totals are compared. While useful, this 'true average' is easily skewed by a small number of high or low earners. Reporting both mean and median figures provides a more rounded understanding of the GPG.

**MEDIAN:** The median is the number which is in the middle of a ranking of pay from lowest to highest. This is broadly understood by statisticians to be the best view of 'typical' pay, as extremes of low and high pay do not affect the median.

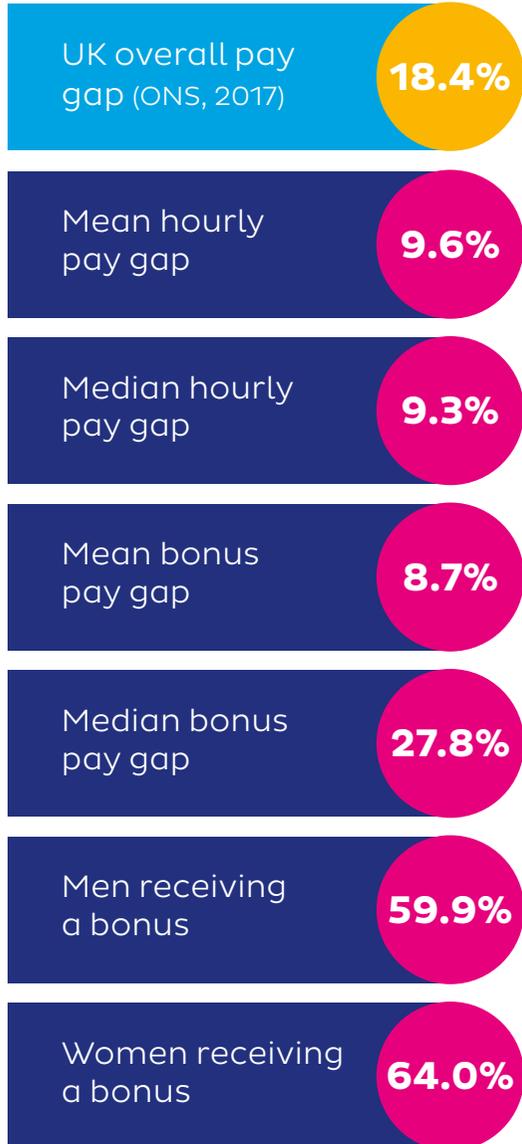
### What are gender pay gap quartile figures?

Gender pay gap quartile figures calculate an organisation's figures to show the proportion of male and female employees in four pay bands.

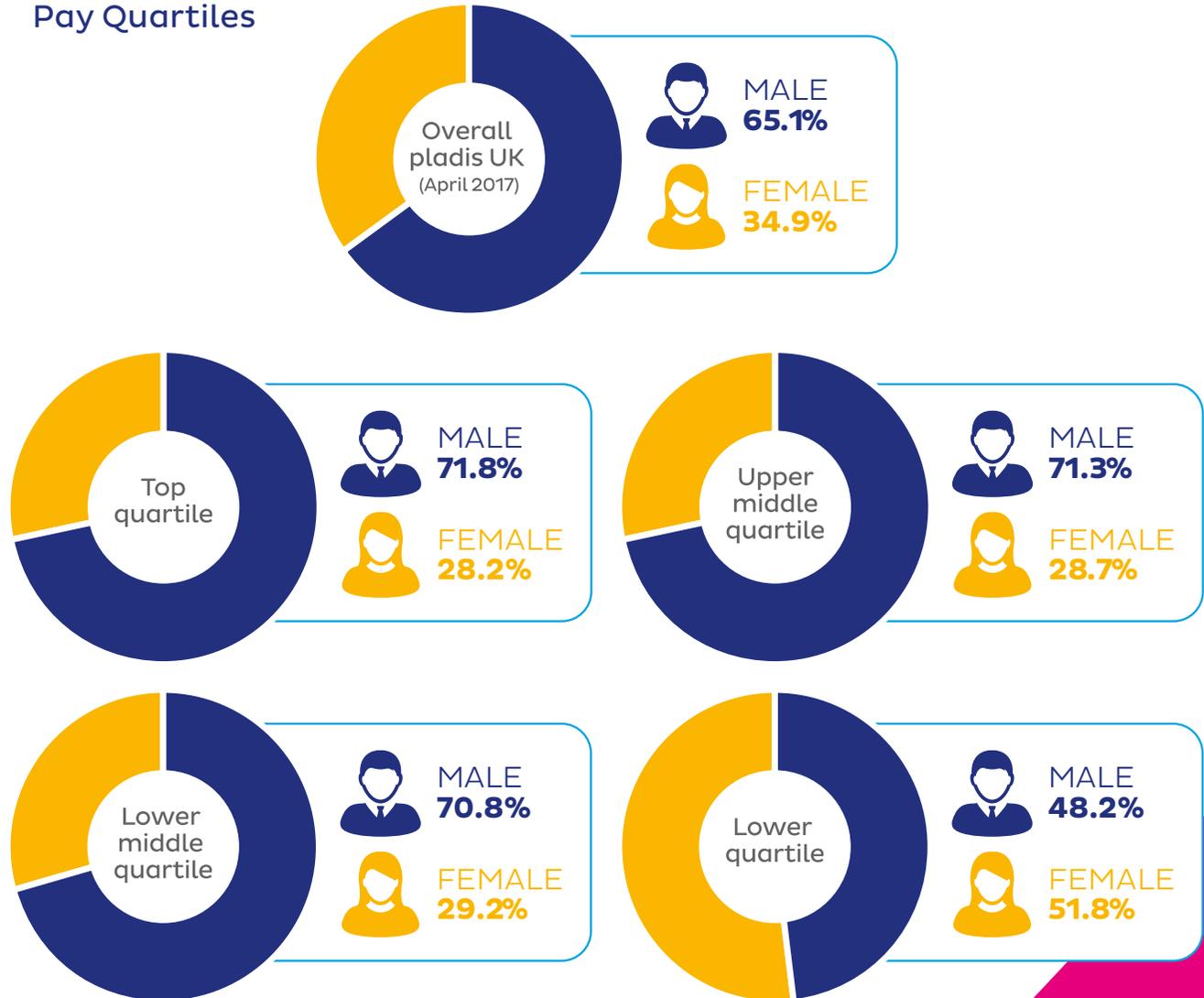
To do this, employees are ranked from highest to lowest paid, then divided into four equal parts ('quartiles') to work out the percentage of men and women in each of the four parts.



# Our results



## Pay Quartiles



## Understanding our results

The mean hourly pay gap at pladis is 9.6%; the overall UK pay gap in 2017 was 18.4% (per the Office of National Statistics). The key reason for our gender pay gap is that female colleagues are relatively under-represented at senior levels in both our Supply Chain and our Corporate Functions. At the same time, women are relatively over-represented at more junior levels. In short: men are more likely to hold more senior roles, and this results in a gender pay gap. We are comfortable that we do not have an issue with equal pay and that our pay programmes support equal pay practices.

## Our Supply Chain

3 in 10 of our colleagues in our Supply Chain are female overall. However, women are significantly under-represented in our most technical roles, which command a pay premium owing to the complex skill-sets required.

Our engineering function is a clear example of such an issue. We face the same challenge as wider business when it comes to female representation in this area - fewer than 3% of our engineers are women.

Although this is not atypical when compared with other organisations like ours, and although we have been working on improving this imbalance, we recognise that we still have more to do.

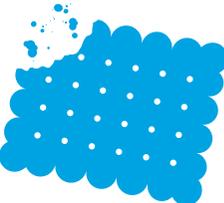
Another key factor within our Supply Chain which contributes towards our gender pay gap is that, like many of our peer organisations, our male colleagues are more likely to work in night-shift roles, which pay a premium.

Finally, our median bonus pay gap is high relative to our other statistics (although the number is small in cash terms). This is because of how our site bonuses paid out in 2017 and the distribution of male and female recipients working at each location - the schemes themselves are gender-neutral in their design.

## Our Corporate Functions

We face the same kind of challenge with female senior representation in our Corporate Functions; although 55% of our total workforce in this area are women, female representation at managerial levels is c. 45%. At the same time, women currently hold over 70% of roles at our most junior level.

Although our existing gender split at managerial levels gives us a firm foundation, we are committed to finding long-term, sustainable ways to improve it further - this is evidenced in "Our Commitments" on the next page.



**< 3% OF**  
**OUR ENGINEERS**  
**ARE FEMALE**  
**VS. 30% OF OUR**  
**ENTIRE SUPPLY CHAIN**

.....

**WITHIN OUR**  
**CORPORATE FUNCTIONS**  
**55% OF OUR**  
**TOTAL WORKFORCE**  
**ARE WOMEN**

female representation at managerial levels is **c. 45%**.  
At the same time, women currently hold over **70%** of roles at our most junior level



# Our commitments

We will take a holistic approach to addressing the root causes of our gender pay gap which focuses on all aspects of diversity and inclusion.

With this in mind, we are proud to announce four commitments.

## 1. We Will Actively Work Towards an Improved Gender Balance Among Managers by 2025

We will focus on improving female representation across our entire UK and Ireland based management-level workforce and aspire towards a 50/50 balance by 2025, building on our current starting position of around 40%; the biggest impact will be seen in our Corporate Functions where around 3/4 of these roles are found.

We firmly believe that achieving a stronger gender balance will bring powerful benefits to pladis, and we look forward to making sustained progress over the coming years.

## 2. We Will Focus on Our Apprenticeship Talent Pipeline

Our colleagues' longevity of service is a great source of pride for us but it reminds us of the need to focus on building sustainable talent pipelines, particularly for our technical Supply Chain roles. Today's workforce is made up of a higher proportion of women than 30 years ago; this gives us a platform to sustainably improve our balance at the very core of our business over the coming years.

Building on the success of our Graduate programme, we will now focus on our new Apprenticeship Programme which was launched in 2017 and has Manufacturing and Engineering careers at its core. Working with our training partners to drive improved gender balance at each stage of our attraction and selection processes is part of our sustainable diversity journey. We recognise that this will not happen overnight; however, we will continue to invest in our Apprenticeships and are targeting 50/50 gender balance in our annual cohort by 2022.

**50/50**  
**GENDER BALANCE**  
..... **IN OUR** .....  
**ANNUAL COHORT OF**  
**NEW APPRENTICES**  
**2022**

### 3. We Will Launch a pladis UK and Ireland Diversity and Inclusion Forum

Although we are a young company, a crucial part of our culture from the very beginning has been fostering an inclusive environment in which people of all backgrounds want to join us, feel that they can bring their whole selves to work, and are able to maximise their potential regardless of their gender, economic background, age or any other characteristic. This is a central tenet of our global Code of Conduct and our Winning Traits and Behaviours which are embodied by our colleagues.

To drive this culture – and take sustainable action on improving female representation at management levels – we are establishing a UK and Ireland Diversity and Inclusion Forum, co-chaired by Nick Bunker – Managing Director, pladis UK and Ireland – and Erica Coletta – pladis Chief Human Resources Officer. Both Nick and Erica sit on our global Executive Committee and report directly into pladis' Chief Executive Officer.

The Forum is set to meet for the first time in spring 2018; among its initial actions will be commissioning listening groups so we can understand from our female colleagues how we can best support them in their career development. We will also focus initially on the mental health and multigenerational agendas.

### 4. We will Continue to Embed Diversity and Inclusion in Our Processes

We already include gender analysis in our key HR processes, including performance management and internal promotions, and during 2018/19 we will embed unconscious bias training in our first line management leadership programme. Our new Diversity and Inclusion Forum will explore new opportunities for embedding best practice within our processes and culture.

“Valuing our people and their diversity, perspectives and experience is essential to pladis. Our commitments, outlined in this report, will be realised by our understanding that it is our people and their passion which will drive our continued success.”

**Cem Karakas**, pladis CEO

