

BAIRD GROUP

GENDER PAY REPORT 2018

BAIRD GROUP
DRESSING MEN WELL

ABOUT THE GENDER PAY GAP

In April 2018 all medium to large UK companies employing 250 people or more were required to report on their gender pay gap for the first time. We are now in the second year of gender pay reporting and as such can use the figures from the previous year to give some context, allowing us to analyse our own results better.

The gender pay gap measures the difference between the average pay of all men and women in a company, this is calculated by the average difference in earnings across a business.

It is worth re-emphasising that the gender pay gap is sometimes confused with unequal pay, this is when one gender is paid less than the other for the same work and is calculated comparing pay of employees on a case by case basis, unlike the gender pay gap.

The data capture period for the 2018 report is the 1st May 2017 to 30th April 2018 and the snapshot date is the 5th April 2018.

BAIRD GENDER PAY GAP RESULTS

Mean Gender pay gap across Baird Group	2018; 2.15 % 2017; 6.14 %
Median Gender pay gap across Baird Group	2018; - 0.76 % 2017; 4.49 %
UK National Median Gender Pay Gap (Source; Office of National Statistics 2017)	2017; 18.1 % 2018; tbc

The results above show the Baird Group gender pay gap, this is a snapshot of the difference between the average hourly pay levels of all women compared to men in our business, irrespective of role or the level in the organisation.

Our figures show that the mean average pay of our female employees is 2.15% lower than our male employees and that the median average difference is 0.76% higher. These represent significant shifts from the previous year as demonstrated in the above tables. This was expected to a degree as we commented in our 2017 report that several senior female appointments in the following year would improve these figures in 2018.

Our evaluation of the above figures is that whilst we are pleased that this is well under the latest national average figures, our concern that the appointment of senior employees can make such a large change to the figures gives caution that this could flip back in any one year.

We would re-enforce that we that we pay the same rate to all employees regardless of gender and we will continue to monitor this and develop procedures for ensuring the above target is met.

BAIRD GENDER BONUS GAP RESULTS

Mean Gender bonus gap across the Baird Group	2018; 34.6 % 2017; 48.1 %
Median Gender bonus gap across the Baird Group	2018; 36.2 % 2017; 44.3 %

The results above show the Baird Group gender bonus gap showing a 34.6% mean and 36.19% median gender bonus gap across the business. The definition of a bonus for these purposes is bonus data from the period 6th May 2017 to 5th April 2018 which includes any commission, incentive, performance related bonus, profit sharing or productivity.

The data capture period above is a period of time when our Graded Bonus scheme, affecting Head Office and Warehouse employees, did not reach the level of performance needed to pay-out, this means that the figures are predominantly based on our retail commission and bonus schemes.

Both figures have decreased year on year by healthy percentages, we believe that the reason the gender bonus gap exists is due to our workforce having more full-time men than full-time women working in our retail businesses; the overall gender split in our retail division at the snapshot date was 64.3% male to 35.7% female. After analysing this further in 2017 we found that the top commission earners in our retail divisions were generally male despite the same commission scheme being available for all employees, this was similar in 2018 but the gap has shortened. Additional explanation for this is that a higher percentage of our part-time employees are female, and total commission and bonus payments are affected by the number of hours worked i.e. the more hours you work the more commission you will earn.

Furthermore, it appears that more senior retail employees tend to be male.

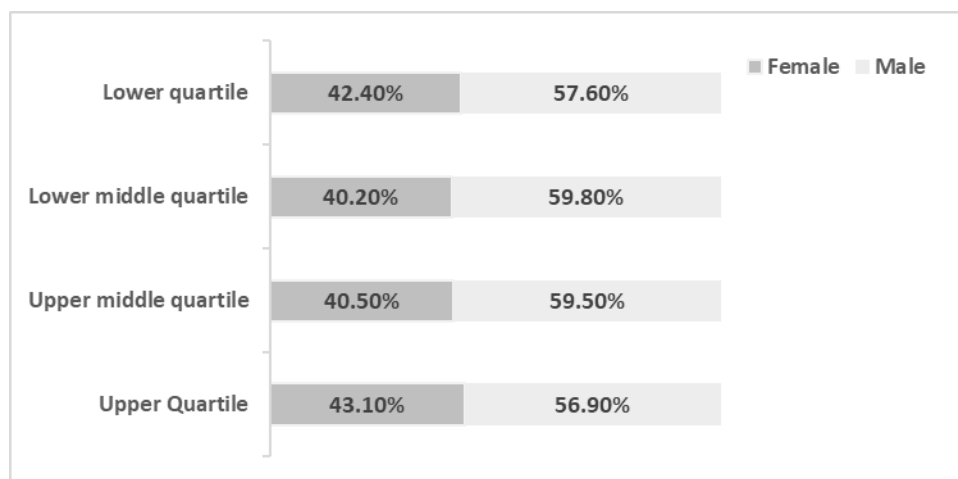
We will continue to monitor this area but are confident that the commission and bonus schemes we operate are the same regardless of gender.

PROPORTION OF RELEVANT MALE AND FEMALE EMPLOYEES PAID BONUS IN THE PERIOD

Proportion of male employees paid a bonus in the period	2018; 63.5% 2017; 61.3%
Proportion of female employees paid a bonus in the period	2018; 42.5% 2017; 57.6%

This shows a 21% difference between men and women being paid a bonus as per the definition above. This relates almost entirely to our retail employees.

QUARTILE BREAKDOWN



The data above illustrates the gender distribution at the Baird Group across four quartiles, each containing 231 or 232 employees.

The percentage split in the Upper middle and Upper quartiles demonstrates we have more senior male employees than female employees, this has shifted in a positive way from the 2017 break down, there are now 6% more female employees in the upper quartile and 5% fewer females in the lower quartile based on the 2018 figures.

STEPS WE ARE TAKING TO MAKE A DIFFERENCE

Men and women are paid equally for doing equivalent jobs across our business, and any gender pay differences are down to the factors we have described above.

The Cultural Framework is becoming a key part of working within Baird Group and will continue to ensure that we act ethically and honestly in all areas of business and gender pay gaps are included in this.

We will continue to ensure we recruit the right person for the job, regardless of gender, through fair and balanced processes. Development opportunities will continue to be based on merit alone.

We have a robust job evaluation scheme in place which grades jobs on the content and not the job holder.

We fully support any female employees returning to the workplace and encourage flexible working requests.

We will continue to focus on any areas of concern within the report and analyse further.

This statement was approved by Mark Cotter, CEO and Paul Thompson, Group HR Director, March 2019, and we can confirm this data is accurate.