

### ABOUT THE GENDER PAY GAP

For the first time this year all medium to large UK companies employing 250 people or more are required to report on their gender pay gap.

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.

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 2017 report is the 6<sup>th</sup> May 2016 to 5<sup>th</sup> April 2017.

### BAIRD GENDER PAY GAP RESULTS



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.

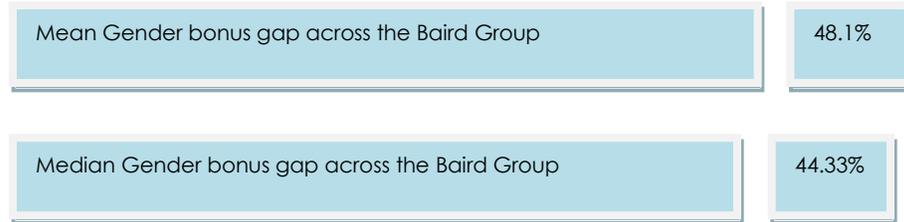
Our figures show that the mean average pay of our female employees is 6.14% lower than our male employees and that the median average difference is 4.49%. This compares favorably to the UK median pay gap of 18.1% and retail sector median of 18.8%.

Our evaluation of the above figures is that whilst we are pleased that this is well under the national average we believe that given recent senior female appointments this pay gap will continue to move towards a 50:50 balance in 2018.

We can categorically state that we pay the same rate to all employees regardless of gender, the above mean and median gap exists because we have more Senior male employees than female.

We will continue to monitor this and develop procedures for ensuring the above target is met.

## BAIRD GENDER BONUS GAP RESULTS



The results above show the Baird Group gender bonus gap showing a 48.10% mean and 44.33% median gender bonus gap across the business. The definition of a bonus for these purposes is bonus data from the period 6<sup>th</sup> May 2016 to 5<sup>th</sup> April 2017 which includes any commission, incentive, performance related bonus, profit sharing or productivity.

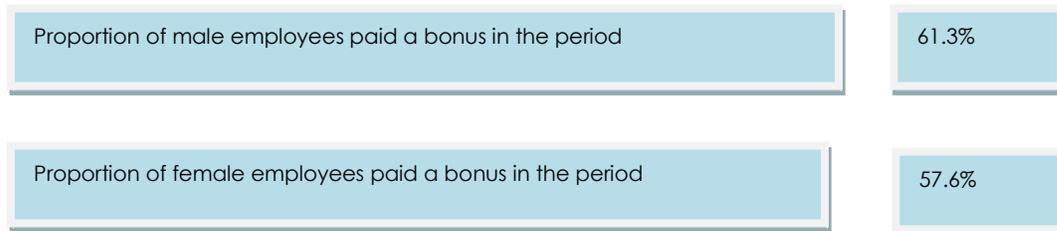
The data capture period above is a period of time when our Graded Bonus scheme did not reach the level of performance needed to pay-out, this means that the figures are predominantly based on our retail commission and bonus schemes.

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 is 65% male to 35% female. After analysing this further we found that the top commission earners in our retail divisions are generally male despite the same commission scheme being available for all employees. 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.

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

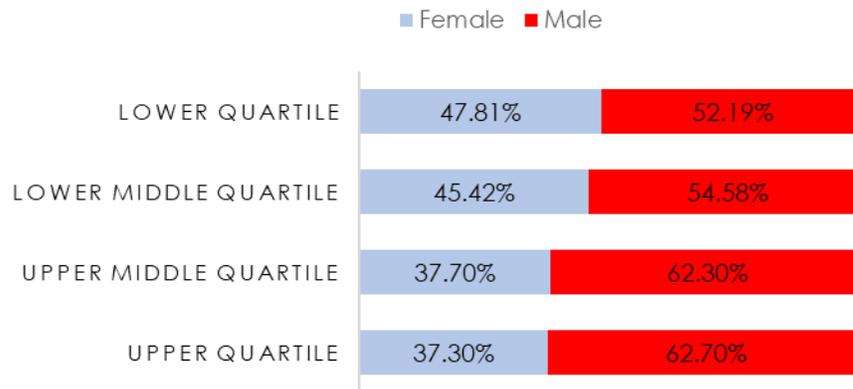
Again, we will continue to monitor this area but are confident that the commission and bonus schemes we operate are the same regardless of gender.

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



This shows a 3.6% 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 equally sized quartiles, each containing 252 employees.

The percentage split in the Upper middle and Upper quartiles demonstrates we have more senior male employees than female employees, and as reported we believe that this will have improved for the next data capture.

## STEPS WE ARE TAKING TO MAKE A DIFFERENCE

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

Our recently launched Cultural Framework will 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 will 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 2018, and we can confirm this data is accurate.**