



# BLUE DIAMOND UK LIMITED - GENDER PAY GAP REPORT 2017

## Introduction

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Our business over the years has developed a sound culture and attracted and developed many passionately engaged people who feel empowered to make a difference. We are proud of our strong commitment to our people and believe that they should be treated fairly and equally in all aspects of their careers.

The UK Government has made a commitment to reduce gender pay inequality and as part of that initiative are requiring all businesses employing more than 250 employees to publish their gender pay gap. This report outlines our gender pay gap and provides a brief summary of our findings into its cause.

### What is the Gender Pay Gap?

The Gender pay gap shows the overall difference between the average hourly earnings of male and female employees across the entire business irrespective of their role or level of seniority.

This is expressed as a percentage of men's earnings.

**It is important to note that this is not a measure of any equal pay gap. An equal pay gap only exists where there is a difference in pay between employees carrying out the same or similar duties. We have found no differences between how we pay men and women who work in the same or similar roles.**

### How is it calculated?

The specific calculations are set out in the gender pay gap reporting regulations. We have analysed the pay data for our entire UK business for those who were employed on 5<sup>th</sup> April 2017 for the purposes of making these calculations.

The gender pay gap reporting regulation require us to provide a number of different calculations which are explained as follows:

- **The Mean Gender Pay Gap** – this is the difference in the average hourly rate of pay between men and women
- **The Median Gender Pay Gap** – this is the difference in pay between the median hourly rate of pay between men and women. The median is found by listing all the female employees in order of lowest hourly rate to the highest and taking the hourly rate of the employee in the middle. The same process is applied to male employees.
- **Mean and Median Gender Bonus Gap** – these are calculated in the same way as the mean and median pay gap, but instead of using the hourly rates, the calculations are

based on the bonuses awarded. This calculation will also show the overall percentage of men and women who received a bonus in 2017.

In addition to the calculations listed above we also publish the percentage of men and women in each “pay quartile”. The pay quartiles are calculated by listing all the pay rates of all relevant employees (as defined by the regulations) from lowest to highest and then dividing into four equal sized sections. Then we calculate the percentage of men and women in each quartile.

#### What is included in the pay calculations?

The type of pay that needs to be included in the calculations is specified in the regulations. The data used to calculate all of the gender pay gaps is based on the April 2017 payroll only and includes “Ordinary Pay” and “Bonus Pay”.

**Ordinary Pay** – This is basic pay and any other payments such as paid leave but it does not include overtime or any termination payments.

**Bonus Pay** – Any additional pay relating to performance which within Blue Diamond is mainly paid once a year in April.

## Findings 2017

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### Summary

#### **Pay Gap – Hourly Rate**

<b>Mean</b>	22% in favour of men
<b>Median</b>	2% in favour of men

#### **Pay Gap - Bonus**

<b>Mean Gender Bonus Gap</b>	33% in favour of men
<b>Median Gender Bonus Gap</b>	0%

#### **Proportion of Males and Females receiving a Bonus**

<b>Men</b>	<b>Women</b>
16%	9%

<b>Pay Quartiles</b>			
	<b>Men</b>	<b>Women</b>	<b>Gender Pay Gap per quartile</b>
<b>Lower Quartile</b>	<b>42%</b>	<b>58%</b>	<b>2.9%</b>
<b>Lower Middle Quartile</b>	<b>32%</b>	<b>68%</b>	<b>-0.3%</b>
<b>Upper Middle Quartile</b>	<b>36%</b>	<b>64%</b>	<b>-0.6%</b>
<b>Upper Quartile</b>	<b>51%</b>	<b>49%</b>	<b>21.6%</b>

## Key Facts Behind the Data:

- The main driver of the mean pay gap is because we have more men than women in higher paid roles and more women than men in lower paying roles.
- Our more senior roles within our head office and group functions are filled by a significantly higher proportion of men (73% of the top 30 paying roles are filled by men).
- 60% of our workforce are female working in a wide range of operational roles within our garden centres and restaurants.
- The differences in bonuses is again attributable to the fact that we have more men than women working in roles that attract bonuses. Our bonus scheme is based on performance and is generally only payable to those in senior management positions.
- Our median bonus gap is 0% which shows that our distribution of bonuses is fair and equitable across the business.

The numbers above don't reflect the true picture of the pay and reward structure within our business and we are satisfied that men and women working for us do get paid equally for doing the same or similar roles. This view is reflected in the pay gap analysis for each of the quartiles.

## Commitment for the Future

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We will be working towards reducing our gender pay gap which will primarily focus on identifying ways we can improve on the number of female employees progressing into senior management positions within the business.

As our business continues to grow, one of our key commitments to our staff is to promote from within. We actively advertise all positions internally across the group to ensure we engage with as many suitable potential applicants as possible irrespective of gender.

We will be further highlighting our management development programme to all of our colleagues across the group to ensure that women continue to have equal opportunities to develop and progress their careers either within their garden centres or at a Group Level.

## Director Statement

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This report covers all employees of all levels within Blue Diamond UK Limited and all wholly owned subsidiary companies based in the UK in accordance with the Gender Pay Gap reporting regulations.

As Group Finance Director and Company Secretary for Blue Diamond UK Limited I, Richard Hemans, can confirm that the information contained herein is accurate.



Richard Hemans

### **Group Finance Director and Company Secretary**

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