Gender Pay Gap at Finlays

Finlays is committed to being an employer that demonstrates opportunity, fairness and equality and the work we are doing to reduce our UK Gender Pay Gap is essential to us achieving this goal. We are pleased to see continued improvements in both our Mean and Median Gender Pay Gap. Our work in 2022 towards flexible working, and improved maternity provisions have had a positive impact on working women in the UK.

In 2021 we launched the Finlays Women in Business Forum for salaried female colleagues. We will continue to support the role of this forum in 2023, which is helping our female employees find their voice and supporting us in driving through the changes they tell us are needed. Importantly, it is intended to extend this Forum to all our female manufacturing colleagues working in our factories across the UK.

Tamie Hutchins, Group HR Director
What is the Gender Pay Gap?

The Gender Pay Gap is the difference in pay between all the men and all the women employed at Finlays, explained through various statistics. It is influenced by a range of factors, including the demographics of the business as a whole or the demographics of the division.

It is different from equal pay, which is about a man and a woman receiving equal pay for the same or a similar job.

At James Finlay, we are committed to closing the gender pay gap, to equal pay and to fostering a transparent and fair working environment that rewards employees based on their performance and contribution to the success of our business.

**MEAN PAY GAP:**

The mean pay gap is the difference in the average hourly pay for all women compared to all men within Finlays.

**MEDIAN PAY GAP:**

The median represents the middle point of the population. If we separately listed out the pay of all males and all females in Finlays, from highest to lowest, our median pay gap is the difference between the middle female’s pay compared to the middle male’s pay.
James Finlay in the UK

Our business in the UK is made up of three divisions:

1. James Finlay Limited - our global head office based in London

2. Finlay Beverages Limited - our largest manufacturing site in the UK, based in Pontefract

3. Finlay Hull Limited - our smaller manufacturing site in the UK

Looking at our total workforce (357) in the UK as at 5th April 2022, 348 (60.3% male & 39.7% female) were deemed relevant employees for the purpose of gender pay gap calculation. These are employees on full pay as at the snapshot date.
The National Gender Pay Gap in 2022 has decreased to 14.9% from 15.1% in 2021.

- Our 2022 mean gender pay gap at Finlays is -0.1% which means our mean average hourly pay for men and women are almost at par. In monetary terms the mean hourly difference in ordinary pay is £0.02. This is an improvement on our 2021 (3.9%) pay gap.

- Our 2022 median GPG is -0.6%. The median hourly pay for men and women are almost at par. In monetary terms the median hourly pay difference is £0.06 in favour of women. This is a significant improvement when compared to 2021 (10.6%) figure where the difference was £1.41.

<table>
<thead>
<tr>
<th>Mean Hourly Pay</th>
<th>Median Hourly Pay</th>
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<tbody>
<tr>
<td>£17.57</td>
<td>£17.59</td>
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<tr>
<td>£10.61</td>
<td>£10.67</td>
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</tbody>
</table>

**Pay Gap**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Hourly Pay</th>
<th>Pay gap</th>
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<tbody>
<tr>
<td>Male</td>
<td>£17.57</td>
<td>0.0%</td>
</tr>
<tr>
<td>Female</td>
<td>£17.59</td>
<td>0.0%</td>
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</tbody>
</table>
James Finlay UK- Bonus Gap
(Bonus & Long Service Award)

- Our mean bonus (& long service) pay for women is 11.7% higher than that of men.
- Our median bonus (& long service) pay for women is 54.8% higher than that of men.
- Our bonus pay gap is as a result of the fact we have different bonus and long service schemes that operate in different areas of our UK business. We have a general staff and management bonus scheme that runs across all UK sites and we have a local Hull site production bonus scheme that is unique to Hull employees. Our Hull bonus scheme is smaller in value than our UK wide staff and management scheme. Our long service awards are also lower in value than our UK staff and management bonus scheme.
James Finlay in the UK – Pay Quartile Distribution

- Quartiles represent the hourly pay rates from the lowest to the highest for our UK employees, split into four equal sized groups, with the percentage of men and women in each quartile.
- We have 348 relevant employees in the UK, with 87 in each of the quartile.

- The below illustrates gender distribution across the pay quartiles
- This is showing we have a higher percentage of male employees in both the lower middle and Upper middle Pay quartiles and a higher percentage of female employees in the upper and lower quartiles
- The higher percentage of female employees in our lower pay quartile reflects second family earners in our Finlay Beverages manufacturing site
Finlay Beverages Limited

Finlay Beverages is our largest manufacturing site in the UK, based in Pontefract.

The site manufactures and packs a variety of tea and coffee products for retailer and food service customers. As with many manufacturing facilities in the UK, the site has historically been male dominated. Over recent years, the site has increased its female employee demographics. The site now has 57% male and 43% female population.

We are obliged to report the data separately for Finlay Beverages Limited as the number of employees exceed 250.
Finlay Beverages Limited – Pay Gap

- Our mean hourly pay for men is 10.2% higher than that of women – compared with 9.3% in 2021.

- Our median hourly pay for men is 3.5% higher than that of women – Compared with 7.4% in 2021.
OUR BONUS (& LONG SERVICE) PAY GAP:

- Our mean bonus (& long service) pay for men is 69.9% higher than that of women
- Our median bonus (& long service) pay for men is 23.3% higher than that of women
Finlay Beverages Limited – Pay Quartile Distribution

- Quartiles represent the pay rates from the lowest to the highest for our UK employees, split into four equal sized groups, with the percentage of men and women in each quartile.
- We have 258 relevant employees in Beverages, with 64 employees in the lower and Lower middle pay quartiles and 65 employees in the upper middle and upper quartiles.

The below illustrates our gender distribution across the pay quartiles

- This is showing we have a higher percentage of male employees in Upper Pay quartiles and a higher percentage of female employees in the lower pay quartiles
- It also highlights we have a significantly smaller percentage of female employees in both the Upper Pay and Upper Middle Pay Quartiles which are our leadership pipeline quartiles
We are committed to being an employer that demonstrates opportunity, fairness and equality.

We have made significant inroads over the last few years in improving gender equality and we continue to ensure this is a priority.

As with many other employers within the production and manufacturing industry, we currently employ more men than women in both of our UK factory environments. Whilst we have made improvements in the overall gender split across our UK businesses, notably our London head office we currently have a stronger male representation in key senior roles in Finlay Beverages and Hull.

For this reason gender balance and equality are key facets of our Sustainability Strategy goals. These having been designed to help us create a more balanced workforce across our organisation. We take our commitment to this very seriously.
Our Focus Areas - 2023 and Beyond

1. **Recruitment and Retention** – we will seek to deliver fully diverse talent pools in all UK locations

2. **Culture** – we will build a culture within which our people understand our goals, live our shared values, are empowered to give their best and within which they feel inspired to contribute fully to our success

3. **Progression** – we will seek to provide opportunities for individuals to develop their potential and progress in line with their capability, aspirations and business needs
Our Focus Areas - 2023 and Beyond

**Leadership Pipeline** – we will seek to grow and strengthen our female leadership pipeline

**Reward** – we will seek to provide a fair and proportionate renumeration for our people that is: equitable regardless of gender, reflective of market forces and recognises individual performance and contribution
We confirm the data reported is accurate:

• Signed on behalf of James Finlay in the UK by:

  …………………………………………………………………

  James Woodrow – Group Managing Director

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  Tamie Hutchins – Group HR Director

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  Ben Woolf – Group Director of Corporate Affairs

www.finlays.net
The Future of Beverages.
Since 1750.