



# GAIL'S

**GENDER PAY GAP REPORT  
2023**



## VISION & MISSION

The GAIL's Bakery story began in the early 1990s, when Gail Mejia and our bakers started serving London's top restaurant chefs. In 2005, we opened our first neighbourhood bakery in Hampstead. Our aim is to make world-class craft bread a part of every community.

We want to reinvent the way Londoners think about bread – fresh and handmade – and their neighbourhood bakery – local and beautiful.

We think bread is beautiful. We love how it looks, smells and feels, and of course we love how it tastes. We love the tradition and the skill that goes into baking it, and the never-ending quest for the finest ingredients.



## OUR VALUES



### WE CARE ABOUT BAKING

We believe great baking is beautiful, unifying, life-enhancing. We love baking for the craft, the care, the naturalness. We always want to learn more.



### WE CARE ABOUT EACH OTHER

We work as one team. We look after each other through good times and bad. We respect each other's differences.



### WE CARE ABOUT THE COMMUNITY

We like people. We like to smile, to chat, to listen, to help. We like the small, daily interactions of a local neighbourhood.



### WE CARE ABOUT A JOB WELL DONE

We take pride in our surroundings. OK isn't good enough for us. We want our customers to leave with a spring in their step and a smile on their face.



## WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference between the average earnings of men and women across a workforce. In many places, sectors and roles, men have earned (and continue to earn) more than women, even when the work is comparable. As well as being unfair, this imbalance serves to perpetuate gender-based stereotypes and discrimination. Reducing the gender pay gap, as well as being the right thing to do, increases productivity.

In the UK, the gender pay gap has narrowed considerably in the last decade, since the introduction of the Equality Act 2010 and further, gender-specific regulations. Indeed, some segments of the population now have women earning more than men. The aggregate picture, however, is still one in which the average man earns more than the average woman.





## WHAT DO WE HAVE TO REPORT?

Publicly reporting differences in pay between male and female employees has been shown to impact the gender pay gap. Since 2017, UK-based companies with more than 250 employees have been required to report their gender pay gap. This involves compiling the following data:

- The percentage of men and women in each earnings quartile
- The mean (average) gender pay gap, based on hourly pay
- The median (middle) gender pay gap, based on hourly pay
- The percentage of male and female employees awarded a bonus
- The mean (average) gender pay gap for bonus pay
- The median (middle) gender pay gap for bonus pay

Companies collate these figures based on their payroll data as at 5 April each year (known as the snapshot date).



## MEAN VS MEDIAN

The mean is calculated by adding all the hourly pay rates (or bonuses) for all female employees, then dividing the total by the number of female employees. This can then be compared with the mean hourly rate for men, which is calculated in the same way. The median is the middle point between the highest hourly rate and the lowest hourly rate. While this is still important, the mean (average) rate is the most useful. This is because the median role for female employees may be at a different level to the median for male employees.



## OUR STATUTORY REPORT

The following data sets out GAIL's gender pay gap position for the 2022/23 reporting year, based on a snapshot date of 5 April 2022.



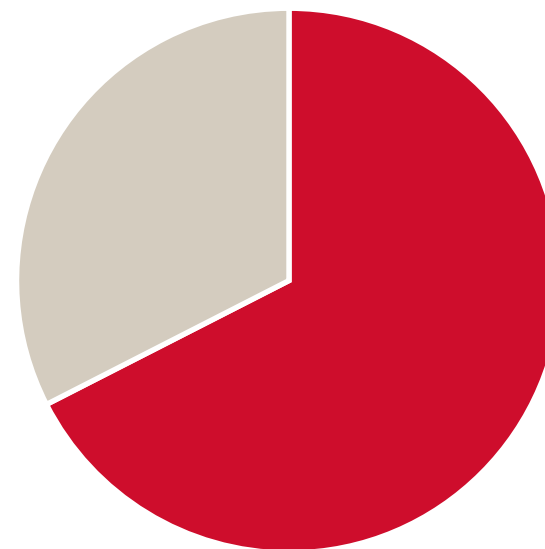
## TOTAL EMPLOYEES

### GAIL's STATUTORY REPORT

On the snapshot date, GAIL's employed a total of 1,670 people, of which 1,127 were women and 543 were men (67 percent and 33 percent, respectively).

See Context and Analysis for an explanation of how these figures have changed since last year.

Gender Split



■ Female ■ Male





# PAY GAP

## GAIL's STATUTORY REPORT

This year, the median pay gap was two per cent, meaning the middle-earning female employee earned almost exactly the same as the middle-earning male employee. The mean pay gap was also two per cent, which means the average female employee earned two percent less than the average male employee.

Gender Pay Gap



	2017	2018	2019	2020	2021
<b>Median gender pay gap</b>	0%	0%	-1%	0%	-2%
<b>Mean gender pay gap</b>	+4%	0%	-6%	-4%	-2%

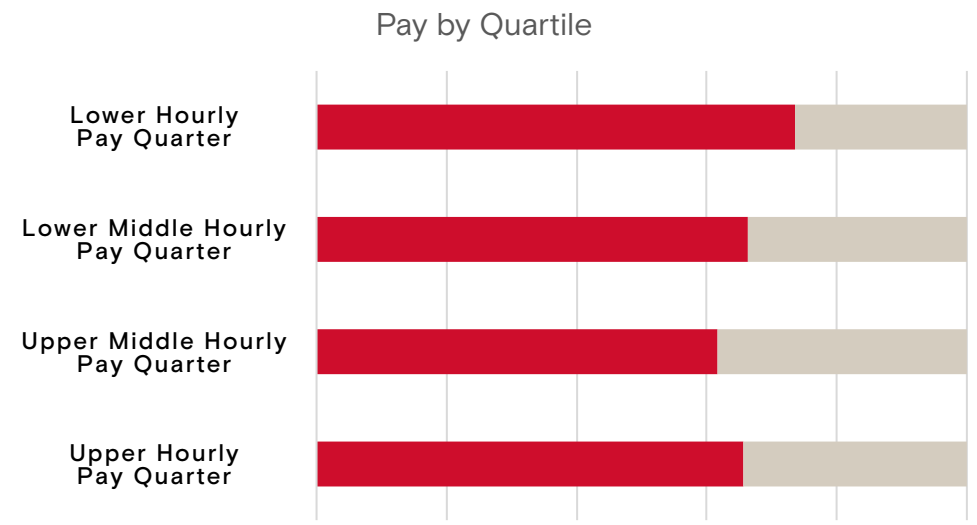
■ Female ■ Male



# PROPORTION OF MEN AND WOMEN BY PAY QUARTILE

## GAIL's STATUTORY REPORT

When we divide employees into pay quartiles, the gender split is as follows.



Female Male



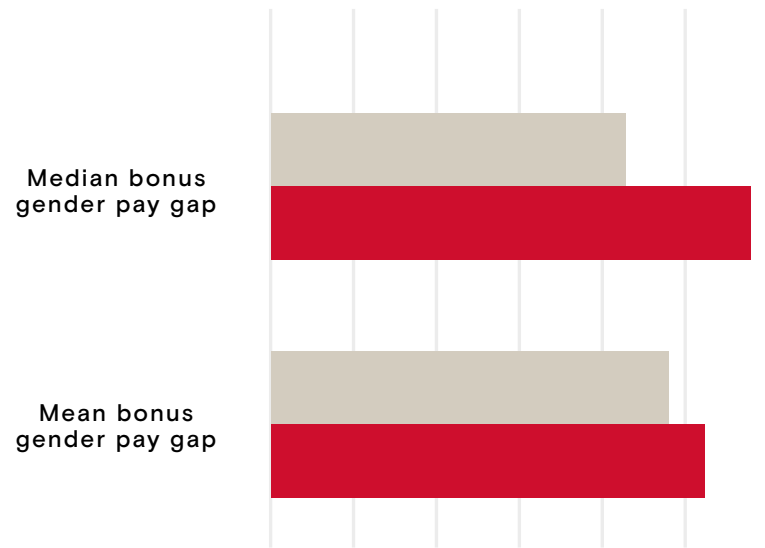


# PROPORTION OF MEN AND WOMEN WHO RECEIVED A BONUS

## GAIL's STATUTORY REPORT

At the time of the snapshot, 54 per cent of all staff had received a bonus in the previous 12 months. Broken down by gender, 52 per cent of full-time male staff and 53 per cent of full-time female staff had received a bonus. The median bonus paid to men and women was equal. However, the mean female bonus was 18 per cent lower than the mean male bonus.

### Gender Bonus Gap



■ Female ■ Male

## CONTEXT & ANALYSIS

### POST COVID AND THE NEW NORMAL

In previous years, the requirement to exclude furloughed staff, and the overall impact of the pandemic on our workforce, meant that tracking progress from one year to the next was problematic. We now have a year of 'normal' data against which to compare our progress.

### BENCHMARKS

We continue to compare our results to those of our sector and the nation as a whole when evaluating our performance.

According to the Office for National Statistics (ONS), the gender pay gap for all employees in the UK continues to narrow, and now stands at 8.3 per cent. This variance is driven (at least in part) by the under-representation of women at managerial and/or higher paid roles.

In our sector ('Food preparation and hospitality trades'), the gender pay gap remains at around two per cent. This narrow variance is driven mainly by the national minimum wage, with the majority of staff in this sector typically employed at or slightly above this floor level. We currently pay above the National Minimum Wage for all roles.

At GAIL's, we have a gender-balanced leadership team, with the roles of Managing Director, People Director, Learning & Development Director and several other senior leadership roles currently occupied by women. We also have a good gender balance at head of department and operations manager levels. This, we believe, helps us to make GAIL's a great place for women to work and to outperform industry benchmarks for equal pay. We continuously work to maintain and improve our diversity through all our recruitment, training and development activities

### PERFORMANCE OVER TIME

Compared to last year (reporting on a snapshot date of 5 April 2021), our workforce has doubled in size as our bakery operations have expanded. The gender split, of roughly two-thirds female to one-third male, has remained the same.

Our median pay gap has increased very slightly, to two per cent, and the mean pay gap has remained consistent, also at two per cent. These figures are still exceptionally low.

We have almost fully addressed the disparities in pay quartiles, with the split between men and women at all levels of pay being roughly commensurate with the overall gender split. However, women are still slightly over-represented at the lowest income quartile.

In previous years, there had been differences in the proportion of men and women receiving a bonus. This year, there is almost no difference (less than one per cent). However, the mean bonus received by a woman was 18 per cent lower than the mean bonus received by a man.

### LANGUAGE AND IDENTITY

At present, we offer employees two options to define their gender: male and female. This is due in part to the government requirement; there is no scope in the current submission standard for recording other gender identities. In future, as part of our commitment in maintaining and improving an inclusive and welcoming workplace, we will look to be more inclusive within our questions on gender identity.

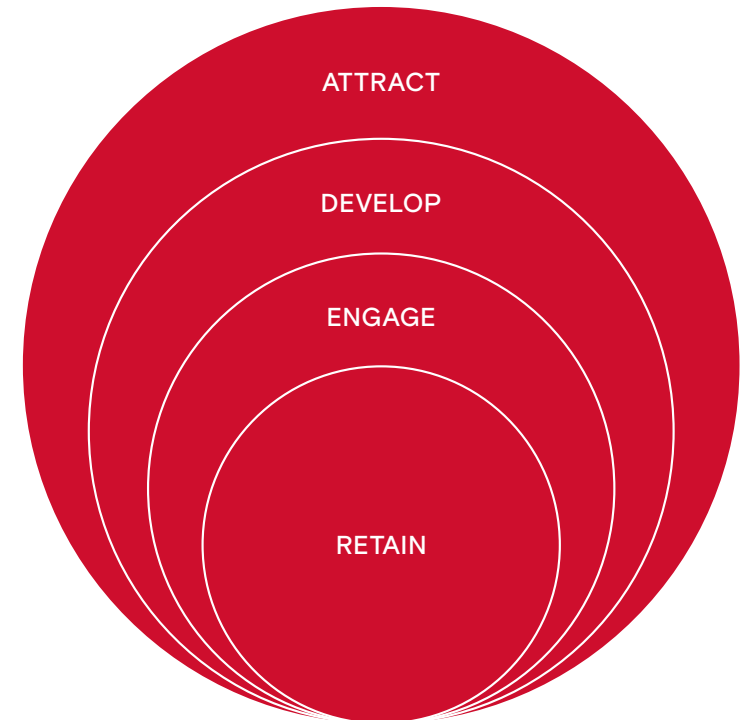




## OUR PEOPLE STRATEGY

Our People Strategy is simple:

- **Attract** the best people
- **Develop** our talent
- **Engage** our teams
- **Retain** the best



By 2025, we aim to recruit 70% roles from within the business.

# GAIL's

## KNEADING YOUR CAREER



## DEVELOP WITH GAIL's

We want everyone to have a slice of the bread; there are plenty of opportunities to grow and develop a successful career with us. Kneading Your Career is our learning and development breadcrumb trail. It shows the opportunities available at each level in the business. We provide the pathway, training and support to help our people achieve their goals and reach their full potential.

## CONCLUSIONS AND ACTION PLAN

Our gender pay gap results have consistently outperformed national and industry benchmarks; this year, that trend is continued, albeit with a few fluctuations in bonus awards that we will keep under review. We believe our philosophy and approach, including family-friendly working arrangements and visible female leadership at all levels, is at the heart of this success. Since the snapshot date, we have appointed two more women at director level, which we expect will even out the bonus gap. We have identified a lack of data on the gender split at application, interview and appointment, which we will start to monitor this year.

Last year, we implemented a substantial pay increase, increased paid holiday and added a suite of additional employee benefits we believe to be best in class. This year, we have redoubled our efforts to enable flexible working, both in our bakeries and for members of our support teams. Having no late nights makes our business especially appealing to parents with young children. We have also introduced enhanced maternity and parental leave, as well as grandparental leave, for eligible employees.

Backed by our new investors, we have increased our programme of new bakery openings, to provide even more opportunities for great people to join us. We will also continue to develop our training and development programme to support our aim to fill 70 per cent of roles with internal promotion. We recently revamped our appraisal process to enable more frequent, agile conversations. The focus is on empowering our people to identify and strive for development

opportunities in all areas of our business. We have also reviewed our job grades and reward packages at all levels, increasing transparency and enabling equity.

We continue to partner with Best Companies to benchmark our performance against their best-practice staff engagement framework. On the basis of our most recent survey, we retained our One To Watch accreditation. We are determined to build upon this high level of performance to be the best place in the hospitality sector to work and grow.





**BEST THING SINCE**