

# GENDER PAY GAP REPORT - 2020

## Introduction

Here at Matalan, we continue to be committed and focussed on our approach to driving a culture that celebrates diversity in the workplace, we are confident that our ways of working allow us to open up opportunities for all, which along with keeping the importance of making sure we fill our roles with the right people are at the top of our agenda.

Through our work, we are enabling our leaders to be more mindful of their approaches and equipping them to support their teams holistically through their journeys at Matalan and we hope that we will see improvements in other aspects of HR as well as our Gender Pay Gap.

MATALAN

REAL LIFE READY

## What is the Gender Pay Gap Report - a recap

It's a measure to look at the difference between the mean and median pay rates and bonus payments of women versus men across an organisation as well as the number of women and men across all roles.

The Gender Pay Gap report is a requirement for all employers of 250+ employees working to a snapshot date of April each year.





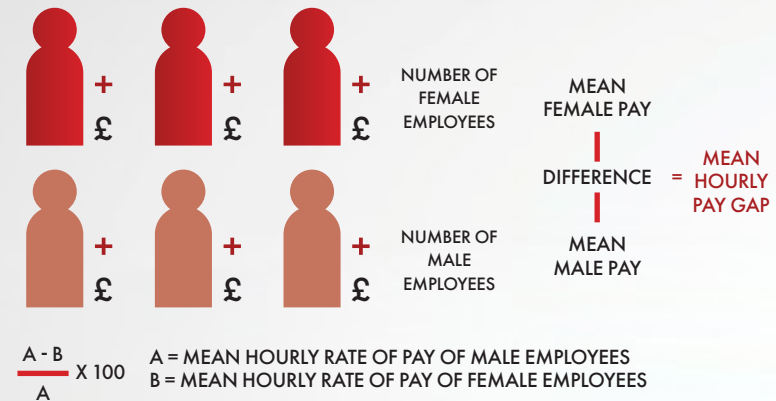
## How are they calculated?

We've used the calculations set out in the reporting regulations and taken pay data from our 10,000+ colleagues. As with most retailers this continues to include a range of roles and rates of pay. For the mean Gender Pay Gap, this measures the difference between the average hourly rates of pay as a percentage. For Gender Bonus, it measures the difference in the average bonus payments as a percentage.

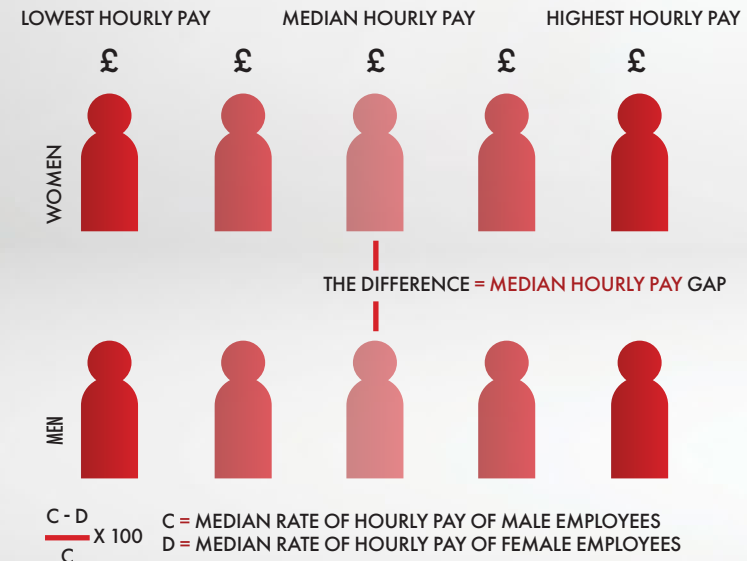
For the median measure, we ranked our Female and Male colleagues in order from lowest to highest rates of pay and bonus pay and then looked at the middle colleagues in those lines. The gap is then the difference between those pay rates as a percentage.

Under the legislative guidelines we include Ordinary Pay i.e., basic pay, as well as pay for annual leave and shift premium pay. It doesn't include overtime, redundancy/termination payments; pay in lieu, statutory pay or the value of benefits that are not in the form of cash. We also have removed any salary sacrifice deductions. Bonus Pay includes any additional pay in the form of money or vouchers that relate to profit sharing schemes, productivity or performance received in the year to 5th April 2019.

### HOW WE CALCULATE THE MEAN DIFFERENCE



### HOW WE CALCULATE THE MEDIAN DIFFERENCE



## Results - 2020

### GENDER PAY RESULTS

	MATALAN	UK AVERAGE
MEAN	12.2%	14.6%*
MEDIAN	2.8%	15.5%

\*based on ONS; Employment and Labour Market; People in Work;

### GENDER BONUS GAP

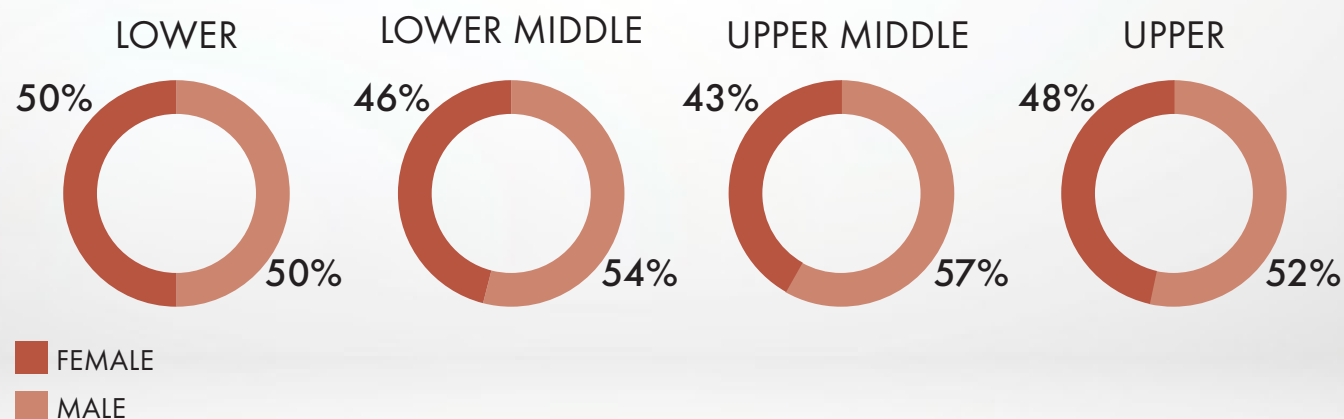
MEAN -305.9%

MEDIAN 0.00%



### PAY QUARTILES

These charts show the proportion of male and female colleagues by pay quartile.





## What drives our Gender Pay Gap?

The reasons for our Gender Pay gap remain largely unchanged, we believe that the following are our main drivers

- Smaller proportion of men but in more senior roles
- Our Sales Assistant role attracts more women than men due to it's flexibility

Our 2020 data was impacted by COVID-19 and use of furlough and the Job Retention Scheme, at the snapshot date, our stores were closed and as most of our colleagues work in stores, this reduced the number of those in the full pay relevant category which in turn supported the reduction in our mean figures.

## What drives our Gender Bonus Gap?

We had a small number of colleagues who received a bonus payment in the year to April 2020, the majority of these were in our Logistics roles and were small incentive-based payments, because of this, more male colleagues received bonuses than female colleagues and this brought the average bonus payment for male colleagues down in comparison to the female average which were based on colleagues in more senior roles.





## What's next?

When we set out our areas of focus in 2017 we did so with a long term view, to a large extent they are still our areas of focus but we've made moves to make some part of how we do things at Matalan every day.

We're still clear that our primary focus will always be to find the right people for the roles and pay them in line with market rates accordingly. But we're also aware of how a diverse workforce can support the success of our business.

Therefore, we are working towards these focuses:



## Talent attraction

Initiatives to support driving equity in our offers

- Reducing the occurrence of bias within Talent Attraction processes from vacancy to offer to help support selection decisions being made on the person and their performance at each stage.
- Review how we attract female candidates through our channels to encourage more female candidates to apply for our roles



## Targeted programmes

To support and encourage current and future female talent through

- Developing future female leaders through targeted programmes from entry level to senior leader, driving equity for our female colleagues through giving increased opportunities to drive their careers



## Driving an inclusive culture

To support and encourage culture change

- Balanced Working – introducing a fit for purpose approach to balanced working within our Head Office that will be sustainable for our future
- Retail Job Share – building the case for allowing more job shares within Retail Management to support our Working Mums / Parents / Carers
- Inclusive Leadership Development – designed to increase awareness and support inclusive approaches being adopted
- Women in... sharing live experiences of our female colleagues, showing how they make it work and the benefits they believe they have to inspire our female colleagues





In addition, like many other businesses we are now looking beyond Gender, moving on to journeys that support them to become much more aware than what they might be right now of broader diversity and inclusion issues.

It remains to be important to us to focus on all aspects of diversity and inclusion, our Environmental, Social Governance (ESG) agenda is so important to us and we will continue to build upon what we already do within the Matalan Family through...

- Our dedicated project team from across all areas of the business that we are adding fresh perspectives to
- Continuous analysis of our people data and the diversity we have in our company
- Ongoing education and awareness to build upon our understanding of others reviewing our approaches to how we gather new information, data and colleagues insights.

Our Gender Pay focuses will remain very much within the people element of our ESG plans and continues to form an important part in our HR strategy.



Emma Crossland, HR Director

