

# The Gender Pay Gap Report 2022

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# Introduction

We are committed to making our working lives meaningful, inclusive and enjoyable. We are continually working to create a culture that champions diversity and supports the growth and development of our colleagues. We recognise that having a diverse mix of talented people working together delivers innovation, engagement and performance. And so, we are always looking to create opportunities for people at all levels of the business, to both start and progress their careers and through our work on Gender Pay Gap initiatives, to support women specifically.

By developing and empowering our leaders, we look to equip them to support their teams holistically through their experience with Matalan. We challenge ourselves to deliver improvements in all aspects of our employee journey, as well as our organisational journey to have a more balanced Gender Pay Gap

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# What is the Gender Pay Gap Report?

## A Recap

The 'Gender Pay Gap' is the difference in average earnings between women and men. Reporting of an organisation's Gender Pay Gap is a requirement for all employers with over 500 employees working to a specific defined date, for us in this year's report, this was 05 April 2022.

A number of different gender pay gaps are calculated, covering mean and median pay rates, as well as mean and median bonus payments made to women vs men across the organisation.

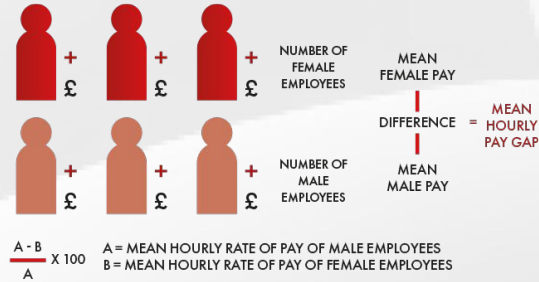


**How Are They Calculated?**

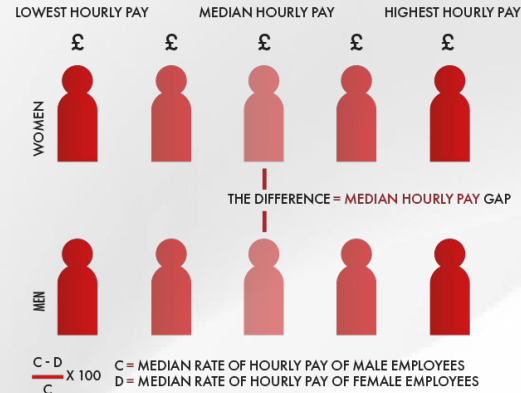
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# How are they calculated?

We've used the calculations set out in the reporting regulations and taken pay data from our 11,000+ colleagues. As with most organisations this includes a range of roles and rates of pay. 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 have also 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 2022.



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 payments and then looked at the middle colleagues in those lines. The gap is then the difference between those pay rates as a percentage.

A photograph of a woman with long, wavy hair smiling in a clothing store. She is surrounded by racks of clothes. The entire image is overlaid with a semi-transparent red filter. The text 'Results 2022' is centered in the middle of the image.

# Results 2022

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## GENDER PAY RESULTS

	MATALAN	UK Average *
Mean	21.9%	15.1%
Median	0%	14.7%

\*based on ONS revised edition data October 2022

## GENDER BONUS GAP

Median	0%
Mean	80.9%



46% of women  
received a bonus



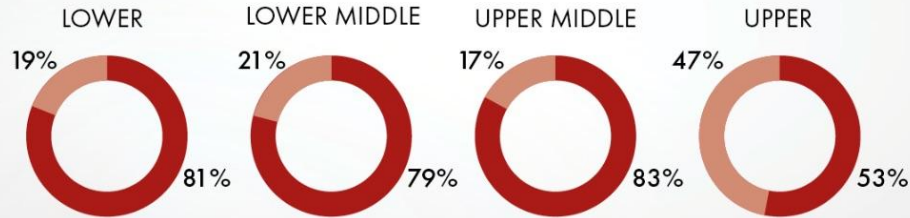
56% of men  
received a bonus

## HEADCOUNT

Quartile	Male	Female
Upper Quartile	1170	1296
Upper Middle Quartile	418	2048
Lower Middle Quartile	514	1952
Lower Quartile	478	1988
<b>Grand Total</b>	<b>2580</b>	<b>7284</b>

## PAY QUARTILES

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



■ FEMALE  
■ MALE

## % HEADCOUNT

Quartile	Male %	Female %
Upper Quartile	47%	53%
Upper Middle Quartile	17%	83%
Lower Middle Quartile	21%	79%
Lower Quartile	19%	81%
<b>Grand Total</b>	<b>26%</b>	<b>74%</b>

## What drives our Gender Pay Gap?

We set pay on our roles and market rates, so we're confident we have an equal pay approach and our pay decisions are not based on people's characteristics like gender, race or age, among others. Like most retailers, the majority of our workforce is based in our retail stores. The biggest group is our General Store Assistants, who account for around 8100 of our 9000 retail staff. The proportion of female workers within this population is c80%. Whilst we encourage application and recruitment of men into these roles, we find that our brand and the flexibility of these roles means they are more attractive to female workers.

As such, 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 General Store Assistant role attracts more women than men due to its flexibility.

## What drives our Gender Bonus Gap?

In June 2021, during this reporting year, we introduced a new Reward and Recognition Framework to make recognising the contribution of our colleagues more meaningful and achievable. The new initiatives include;

- Our Values Heroes, which is an employee of the month scheme for our lower graded roles across our Retail, Logistics and Head Office functions.
- A monthly Best of the Best scheme for Retail and Logistics only, that focuses on reaching company KPIs.
- Quarterly Performance Heroes, which is linked to our performance management framework.
- An annual employee awards ceremony.
- Financial reward for reaching length of service milestones.

Through these schemes we made nearly 5000 performance and recognition awards to individuals across the business. Of the total number of colleagues who received a "bonus" in the reporting year, 69.8% were female and 30.2% were male.

We did not run a broader bonus scheme in this reporting year, which would have been focused on the higher graded roles in the business. As these are new initiatives in the Gender Pay Reporting year, we will continue to monitor the distribution and level of these awards and the effect they have on our bonus gender pay gap.



A photograph of three people in a meeting, overlaid with a red filter. A woman on the left is looking towards the center. A woman in the middle is looking down at a document. A man on the right is smiling and looking towards the center. The background is a blurred office setting.

**What Are We Doing?**

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# What are we doing?

Being transparent is a great way to drive change, as it highlights where we are doing well, and where we can do more. We're improving the data we collect and analyse for our colleagues, to make sure we are progressing on our journey to a balanced gender pay and bonus gap.

- Our business is made up of three separate areas; Retail, Logistics and Head Office, all of which have a different mix of colleagues when it comes to how diverse their teams are. We are committed to continually reviewing the data to make sure the plans we have don't just take a blanket approach, but instead are targeted towards building talent pipelines of underrepresented groups in key areas.
- Lots of our activity outlined within our Environment, Social and Governance plan ([ESG - Environmental, Social & Corporate Governance – Matalan](#)) aligns to and supports our aim of improving opportunities for women across the business and doing what we can to reduce our gap.
- We signed up to the [BRC \(British Retail Consortium\)](#) Diversity and Inclusion Charter to ensure we hold ourselves accountable and play our part in improving the diversity across Retail as an industry.
- Most recently, we took part in Menopause Awareness Month with our new menopause community. We created platforms for colleagues to share their personal experiences and we're working hard to support colleagues going through the menopause with masterclasses and the development of a new menopause policy. We will continue to engage with colleagues to understand what support they feel would make a difference for those who are impacted by the menopause; our aim is to continue to evolve and grow our menopause community ensuring the right support is available.
- Investing in the development of all our future leadership talent through partnerships like Be Inspired Future Leaders Programme as well as offering targeted programmes to improve the pipeline of Women in leadership roles.
- We partnered with Raise the Bar, who are specialists in delivering leadership qualifications tailored to women. Together we have developed a bespoke Women in Leadership programme to inspire and support our current female leaders. Our first cohorts of female leaders started their Level 3 & Level 5 apprenticeships in November 2022 and we're launching the next cohorts in April 2023.
- To celebrate International Women's Day, we held a live panel discussion based on the Break the Bias theme. The purpose was to support discussions around challenging gender stereotypes inside and outside of the workplace; highlighting the contributions which have been made, while also recognising how much more can still be done to deliver equality.
- We have also been improving our recruitment approach to reduce bias when interviewing candidates, so we can get the best talent while providing opportunities to a broader range of people. This includes:
  - Ensuring we do `gender pay` checks on offers and internal moves/pay awards as part of our internal processes.
  - Driving awareness that our leaders' decisions can impact our future pay gap, by ensuring gender equity is considered in their processes.

We are always working to make sure we maintain a culture that welcomes diversity of thinking and allows people to bring their true self to work. We know we're on a journey, and we continue to listen and learn from our colleagues so that they can help us to shape the future of the business and retail as an industry.

# What's Next?

## By 2025

- Improve the diversity mix of applications by 20%, being fair and consistent in our recruitment approach at every stage of the process across all roles (in relation to the demographics of each business area).
- All leaders to experience training around how they can drive a more inclusive culture a minimum of once a year.
- Have three or more well established colleague communities which help us shape the future of the business for colleagues from within marginalised or underrepresented groups.

I confirm that the data contained within this report is accurate



Emma Crossland, HR Director

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