

# GENDER PAY GAP REPORT 2018



## A message from James Gibson, CEO

Big Yellow is committed to being a fair and diverse employer and believes that offering opportunities to all employees regardless of their gender, race, background or other characteristics is strategically important and generates value to all of our stakeholders.

Since we published our first Gender Pay Gap Report last year, gender has continued to be a focus of our diversity and inclusion efforts. During the year we ran a series of Diversity and Inclusion workshops for our Directors and Management which identified some key action areas across the business. We introduced improvements to our family friendly policies, ensuring that they are more easily accessible and we provided our line managers with additional tools and resources to support their employees.

We have also continued to focus on the hiring and progression of women across the business, continuing to review our recruitment practices and encouraging more women to take part in our management development programmes. In 2018 35% of participants were women compared to 30% in 2017. We are pleased to see this positive trend continue into 2019 when we have seen a significant increase to 69%. In addition, over half of the Store Managers appointed in 2018 were women compared to fewer than 25% in 2017.

Notwithstanding the above, our second Gender Pay Gap Report shows that our pay gap remains largely unchanged. We were however aware that it would be unrealistic to close the gap quickly due, in the main, to the significant impact of historically having more men in senior roles than women.

We do however believe that we have achieved our overall goal for 2018 of building a shared understanding around inclusion across the business and that we have raised awareness of unconscious bias and encouraged everyone to challenge their own behaviours.

Going forward we will continue to recruit for each role based on talent and potential, whilst at the same time focussing on the hiring and progression of women in senior roles, alongside the removal of any barriers to fair progression.

This year we will be running our ninth Employee Engagement Survey in which we have specifically included a greater focus on diversity and inclusion and employee wellbeing. This will enable us to gather yet more detailed information upon which we can act to further improve our gender balance.

Whilst we would like to have seen a reduction in our Gender Pay Gap, we know that meaningful change will take time and requires a long term focus. We will therefore continue to maintain a flexible and innovative approach as to how we recruit, engage and retain our people, ensuring that every policy and practice encourages inclusive ways of working.

I confirm that the data contained within this report is accurate and in accordance with the Equality Act 2010, (Gender Pay Gap) Information Regulations 2017.



**James Gibson**  
Chief Executive

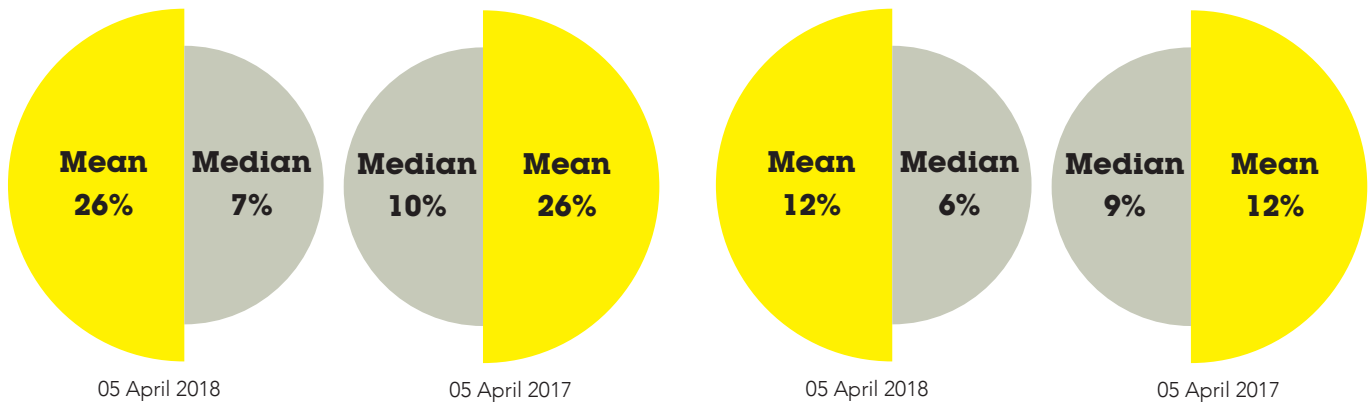
# Gender Pay Data

The tables below show our overall median and mean gender pay and bonus gap, based on hourly rates of pay as at the snapshot date of 5th April 2018 and bonuses paid in the year to 5th April 2018.

## Difference between hourly earnings for men and women

### All Employees

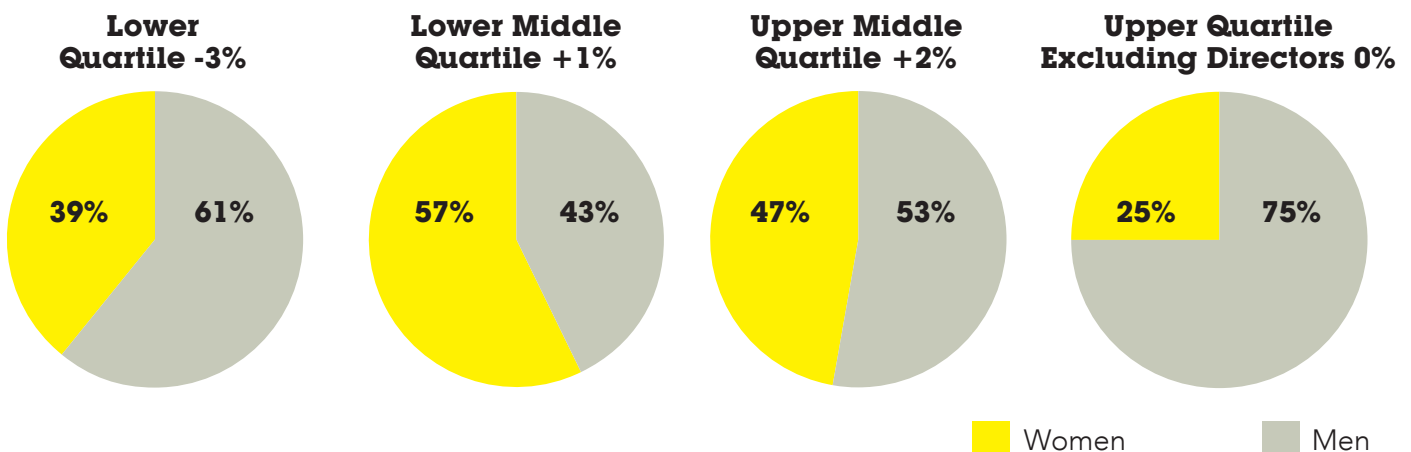
### Excluding Directors



Analysis of our gender pay gap as at April 2018 shows that this arises because women hold fewer senior positions within the organisation than men - whilst women made up 42% of our total workforce in April 2018 (April 2017: 42%), all of our Executive Directors are male. Our mean pay gap excluding Directors is 12% (April 2017: 12%).

In addition to the above, our gender pay gap is significantly affected by the fact that three quarters of our Executive Directors have held their positions since the Company was founded in September 1998, with no other recruitment having taken place other than for a Chief Financial Officer in 2007. Further analysis of our data shows that it would take only two changes at Board level to reduce the gap to 5%.

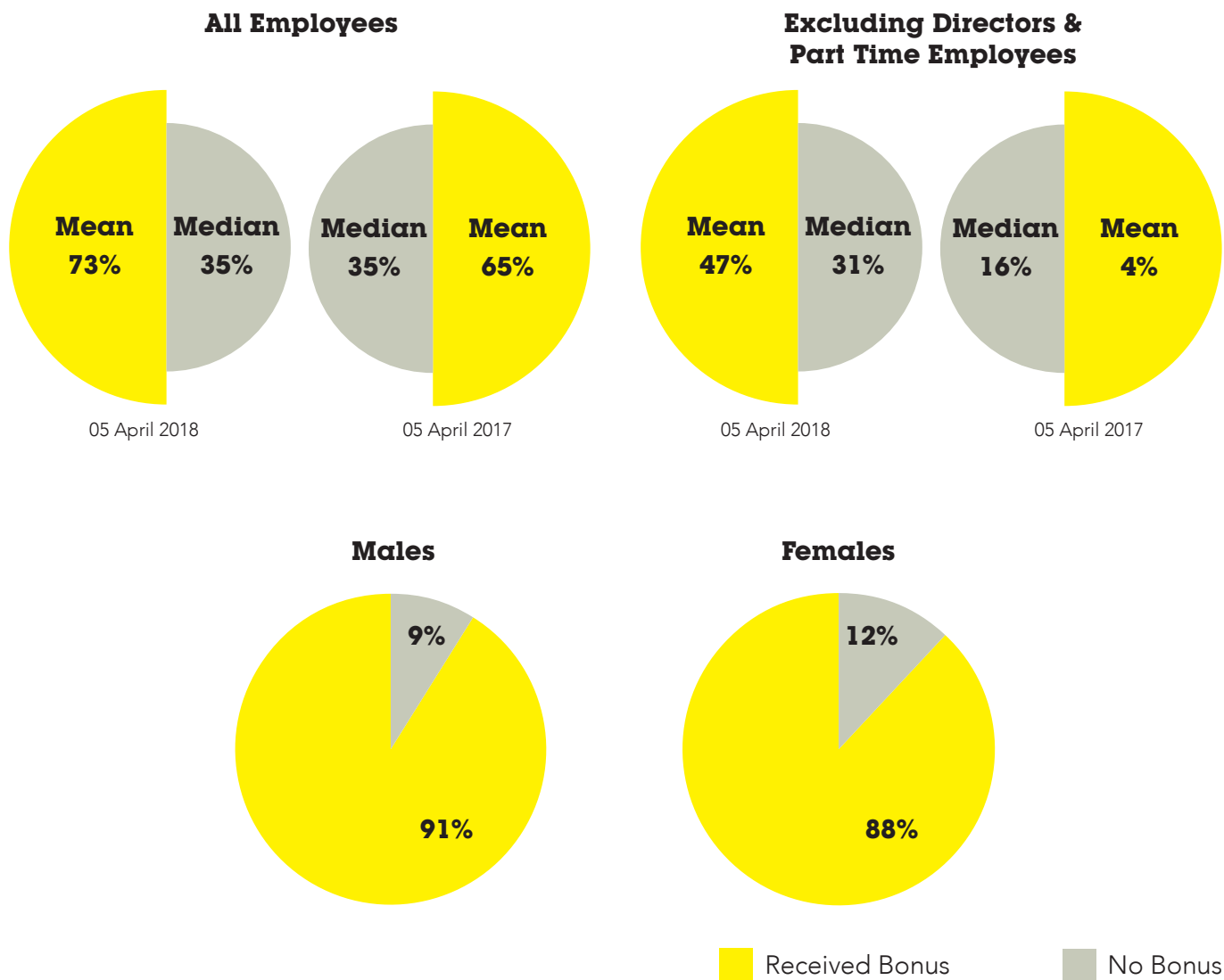
## Median Gender Pay Gap by Quartile



The salaries of our Store and Customer Support employees are paid in accordance with set pay bands meaning that the salaries for female employees within the Lower and Lower Middle Quartiles are 100% of their male equivalents.

# Bonus Pay Data

## Difference between bonus paid to men and women



All of our employees are in a performance related bonus scheme, which is paid as a percentage of salary. Our bonus pay gap, is largely a consequence of the inclusion of Directors' bonuses, as well as a three year Long Term Incentive Plan (LTIP) vesting and being exercised during the year. This was predominantly by people within the upper quartile of our employees, which is 75% male.

Our bonus pay gap is also affected by the fact that only 41% of our full-time employees are female (April 2017: 35%). If we exclude Directors and part-time employees from our calculations, our mean bonus gap falls to 47% (April 2017 excluding directors: 4%). The increase in the year is as a result of the three year LTIP vesting for the first time for lower management, with 74% of those exercising LTIPs in the period being male.

The proportion of female part-time employees has fallen from 67% in April 2017 to 51% in April 2018.

In relation to those employees who did not receive a bonus payment, if we were to adjust for employees who were not employed during the period to which the bonus related, 100% of females and 100% of males who were eligible to receive a bonus did in fact receive one.