



OUR GENDER PAY GAP REPORTING

APRIL 2021



MANAGING DIRECTOR'S INTRODUCTION



In a business committed to being an Employer of Choice – a place where everyone matters and can make a difference – we keep a keen eye on our gender pay gap and take action to close it.

As a fair and competitive payer, it is always worth noting that the gender pay gap is the average difference between pay for men and women. The calculation does not directly compare men and women doing the same job, but instead measures whether both are equally distributed across all levels of seniority.

And so, while equal (and competitive) pay is a given at Princes, our efforts are focused on levelling up on equal opportunity.

We are delighted to report that our gender pay gap closed again in 2021 – dropping from 3.1% in 2020 to 2.9%. This is significantly lower than the UK average of 15.4%.

This is great news, but it is not the end of the story – we will continue to work hard to remove the gender pay gap from our business by challenging our ways of working and taking practical steps to make Princes a great place to work for everyone.

A handwritten signature in black ink, appearing to be 'Cameron Mackintosh', written over a light blue horizontal line.

CAMERON MACKINTOSH
Managing Director

WHAT IS GENDER PAY GAP REPORTING?

Legislation was introduced in April 2017 requiring all private businesses across the UK with 250 or more employees to provide reports detailing their Gender Pay Gap.

Gender pay gap reporting shows the overall difference in the average pay for all men and women across Princes UK. It doesn't compare what men and women are paid for doing the same job. Where a business has more men than women in its higher paid jobs, this will create a gender pay gap. We recognise that there are more than two genders, but for the purpose of this report, we will be using the definitions set by the government of men and women.

All businesses are required to publicly declare the following categories of information, which are calculated using payroll data. This data is based on figures drawn from the specific 'snapshot date' each year. The below information relates to the 'snapshot date' 5th April 2021.

PAY GAP, MEAN AND MEDIAN

The difference in the average hourly pay of male and female full-pay relevant colleagues, represented as a percentage of the average hourly pay of male colleagues. The mean figure is calculated as the total divided by the number elements within the data, while the median is the middle value in the list of numbers within the data.

A positive number indicates that on average, men earn more than women, while a negative number represents the reverse.

BONUS PAY GAP, MEAN AND MERIDIAN

The difference in the average bonus pay to male and female relevant colleagues who received a bonus during the 12 months prior to the snapshot date. This is represented as a percentage of the average bonus pay paid to male relevant colleagues, as per the Gender Pay Gap figures.

BONUS PAY PROPORTION

Male colleagues receiving a bonus in the last 12 months, represented as a percentage of the male relevant colleagues. Female colleagues receiving a bonus in the last 12 months, represented as a percentage of the female relevant colleagues.

QUARTILES

The proportion of male and female colleagues in each of four equal sized groups of colleagues ('quartiles') after ranking of all full-pay colleagues from highest to lowest by hourly rate of pay.

OUR GENDER PAY GAP

Our gender pay gap information in this report has been calculated using the pay data for 2,201 Princes UK colleagues, and covers the 12 months prior to April 2021.

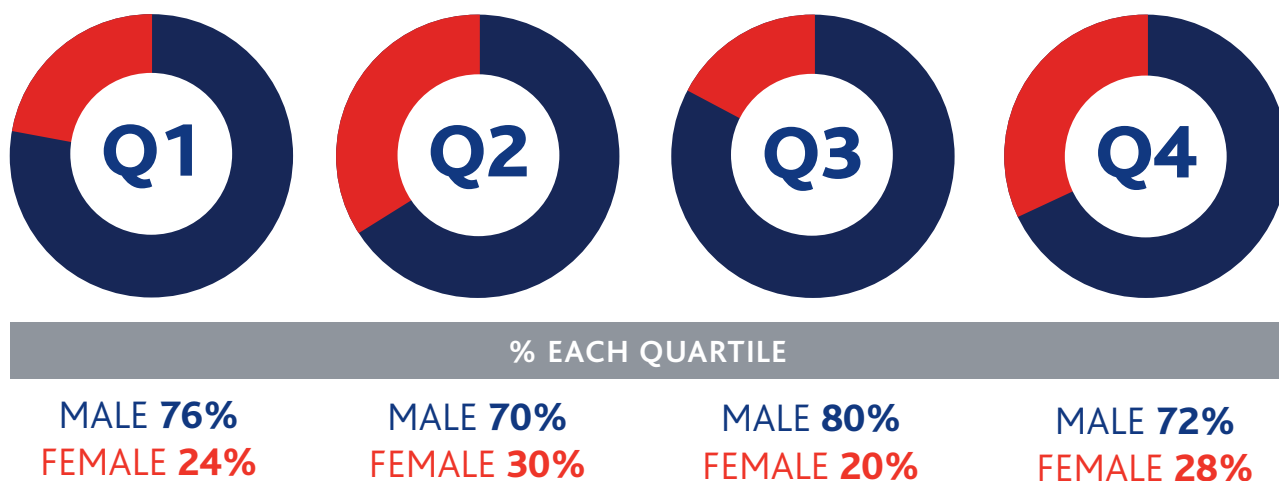
Against a national average gender pay gap of 15.4% and the results of our competitors, both our median and mean figures compare very favourably at 2.9% and 1.6% respectively.

Mean and Median Gender Pay Gap

Difference in median pay	2.9%
Difference in mean pay	1.6%

In comparison to the figures we reported in the previous year both the median and mean pay gap have decreased with a marginal change in median but a significant reduction in the mean pay gap from 4.5% to 1.6%. Within the quartiles we can see that the percentage of females in Q3 and Q4 has increased which represents a positive movement of females into these quartiles.

All Colleagues

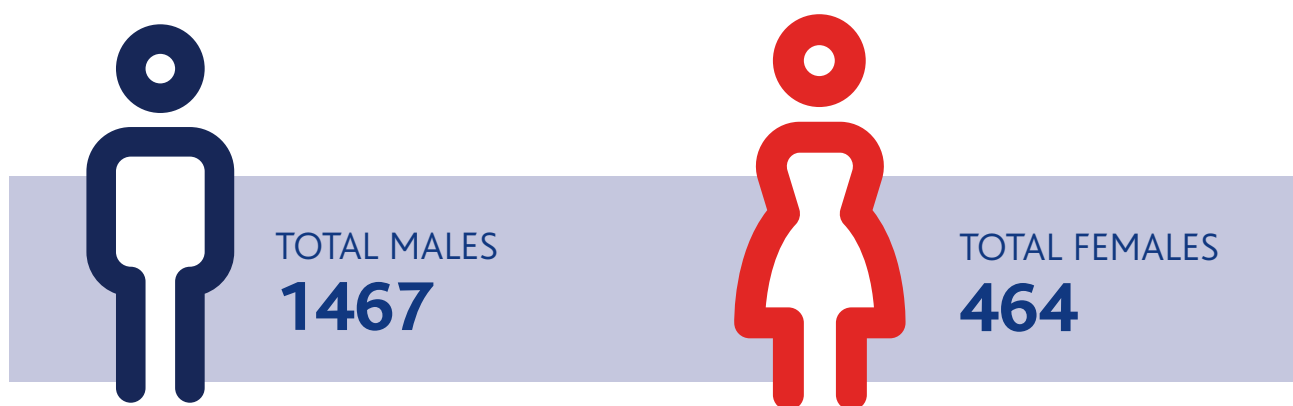


OUR GENDER BONUS GAP

Percentage receiving a bonus

MALE	86.3%
FEMALE	79.2%

The graphic below shows that 1931 colleagues received a bonus. 1467 men versus 464 women received a bonus payment, which represents an increased number of colleagues receiving bonuses, mainly due to the key worker payment our site colleagues received.



This year saw a significant increase in the percentage of colleagues receiving a bonus. This was anticipated given that our site colleagues received a key worker bonus in recognition of the vital work they performed during the Covid 19 pandemic. The key worker bonus was received by all eligible site colleagues this equated to 82% (1195) of males as opposed to 33% (152) of females.

MEAN AND MEDIAN GENDER PAY GAP

Difference in median bonus	-64%
Difference in mean bonus	-15.5%

The key worker bonus payment introduces more males who received a bonus and therefore reduces the median value for men. The highest value individual bonus element is our Long Service Award which confirms for us how many committed and valued long serving colleagues we have. All UK colleagues have the opportunity to receive a Long Service Award based on their tenure, which forms part of this year's gender bonus data. This year more females than males received the long service award which impacted on the mean bonus figure.

We confirm that the data reported here is accurate and meets the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

OUR ACTIONS

To help bring our Gender Pay Gap (GPG) Report to life, it is useful for us to look behind the numbers and share an insight into the initiatives we have in place that help drive both pay parity and equality of participation and progression.

And here at Princes, we challenge ourselves to continuously review and strengthen our Colleague Value Proposition (CVP) to ensure that to listen, learn and evolve.

Last year we reported that we had developed the 'Our Princes – Our People' philosophy to help us to better define our Colleague Value Proposition (CVP) and embed a high-performance culture – or what we refer to as our 'give and get'. It is proving to be a really useful framework of activity that focuses our attention on:

- 1. Our Values** – guiding the way we work and the way we treat our colleagues.
- 2. Our Performance** – working together to ensure a culture of continual improvement.
- 3. Our Health & Wellbeing** – setting the standard for looking after colleagues.
- 4. Our Rewards** – rewarding achievement through flexible benefits, incentive schemes and peer-to-peer recognition.
- 5. Our Community** – creating a strong and engaged Princes community in which everyone matters and is listened to through our Inclusion & Diversity Programme.
- 6. Our Journey** – providing a vibrant and accessible environment of learning and development and career progression.

Indeed, while grappling with the challenges of the global pandemic and recognising the huge expectations being placed on colleagues, we accelerated our People Excellence activity – both to shore up our CVP and ensure that with increased need for flexibility – colleagues and the business alike were clear about what was expected.

In 2021, Princes offered colleagues:

- **SMART working opportunities** – with the addition of both hybrid and core hours to our flexible working options;
- **Practical covid measures** – with a recognition that the burden of absence might fall on our female colleagues, we determined that covid-related absences would not trigger our usual absence reporting or affect peoples pay and encouraged our People Mangers to agree reasonable short-term work arounds to help people balance the demands of their home and work lives;
- **Pathways learning & development opportunities** – with access to our award winning online learning platform at any time and from anywhere, we actively encourage colleagues to drive their own development; and
- **Inclusion & diversity awareness and action** – with a recognition that bias is often unconscious, colleagues have been invited to share their experiences, feedback and suggestions with us via our I&D Champions and volunteer Colleague Resource Group (CRG).

We are not done – Princes is a great place to work but we will continue to strive to ensure that all our colleagues feel part of one team where **#TogetherWeAchieveMore**

