

# OUR 2017 GENDER PAY GAP REPORT

2017 was an exciting year for KP Snacks with the acquisition of Butterkist adding to our great snacking portfolio, and strong results in sales growth and market share.

None of this would have been achieved without our KP colleagues; they are a key factor of our success and an integral part of our KP strategy.

Back in 2014 we asked our colleagues to help us create a set of organisational Values and Behaviours which are now alive in our business and guide how we work every day.

Our KP strategy is underpinned by these values and we are very proud of the new initiatives we have recently introduced, which we believe will help close our gender pay gap and retain our female talent.

## These are:

- A new KP Grading Framework and a governance process to help bring consistency and clarity to job grades
- More internal analysis and external benchmarking data when making remuneration decisions
- Enhanced maternity and adoption pay to give equal benefits regardless of job grade
- A holiday-buy scheme to give more flexible working and work-life balance
- A higher target bonus for middle managers (grade 5) to be more market competitive (48% of this grade are female)

This report has helped us recognise we need to do more to close our gender pay gap. As a result of discussions we've had as an Executive Team, we have made a commitment to increase the number of female leaders within our business over time, and a project has been identified for 2018 to help initiate this.

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MARK THORPE  
CHIEF EXECUTIVE OFFICER



JOHANNA DICKINSON  
HR DIRECTOR



We constantly strive to make KP stand out as a great place to work and we know that when we get behind a people initiative we can really make a difference. We are so proud that employee engagement scores have increased each year since we started participating in the Best Companies Survey in 2015.

We were delighted to be shortlisted for the CIPD Best Employee Engagement Initiative Award last year and to be the overall winners of the Good Employer Award at the 2017 Food and Drink Federation Awards.



We confirm that the information in this report as required under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 is accurate.

# PAY AND BONUS GAP

The gender pay gap results demonstrate the difference between the average earnings of men and women regardless of the level of seniority. It is not a measure of equal pay, which is the difference of actual earnings of men and women doing equal work.

Our review looked at colleagues employed by KP Snacks Limited (but excluding Butterkist as we acquired the business after 5 April 2017).

DIFFERENCE BETWEEN MEN AND WOMEN	MEAN	MEDIAN
Hourly Rate of Pay	12.63%	9.35%
Bonus Pay	30.43%	0%

## HOURLY RATE OF PAY

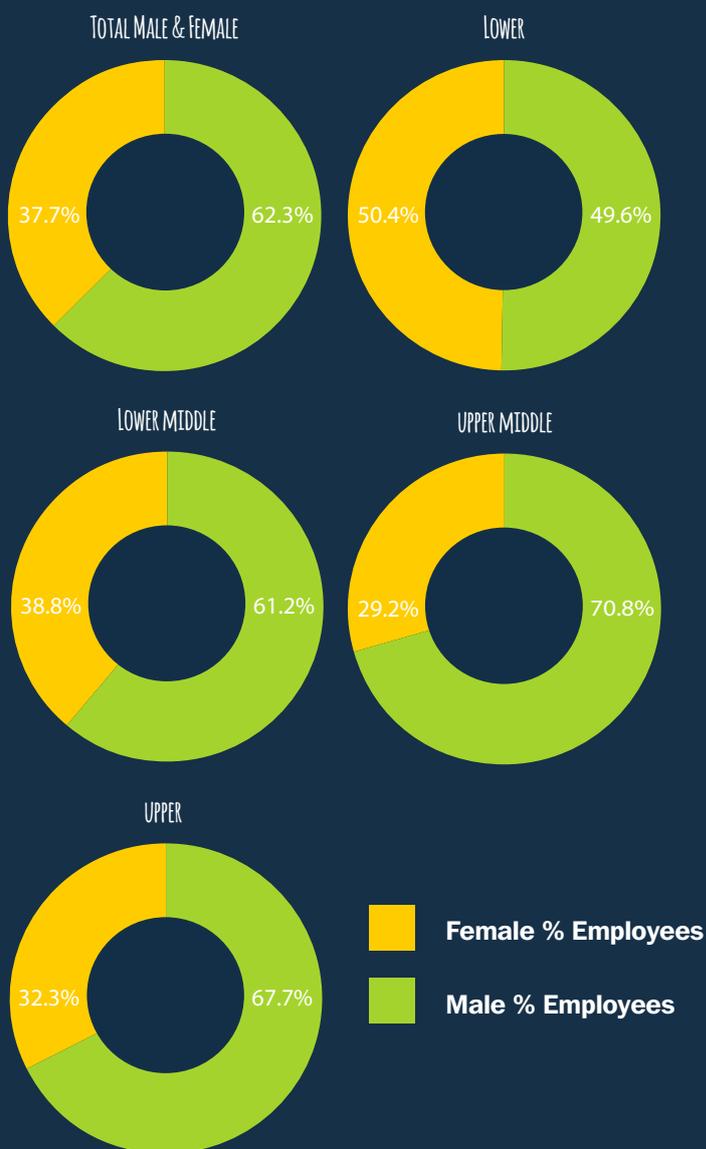
The above table shows our overall mean and median gender pay gap based on hourly rates of pay as at the snapshot date (5 April 2017). Our analysis shows that our mean gender pay gap for hourly pay is due to us having more male colleagues in senior positions.

## BONUS PAY

The table shows the mean and median difference for the 2016 annual bonus which was paid in 2017 for our male and female colleagues (these figures have not been adjusted to show full time equivalent). The mean bonus pay gap figure is higher at 30.43%. This is due to higher target bonuses for senior grades where more males are employed. We know from our external benchmarking that senior level bonuses are comparable to those within our industry. The bonus median is 0% because many of our colleagues receive the same amount of bonus, so there is no difference in the median.

## PAY QUARTILE RANGES

The pie charts below show the proportion of male and female colleagues at each of our pay quartiles. Each quartile contains 363 colleagues. It is clear from the charts that the Upper Middle and Upper quartiles have more male colleagues and highlights the opportunity for us to encourage more female career progression to leadership roles within our business as well as attract more women to come and work at KP Snacks.



## PROPORTION OF MALE AND FEMALE COLLEAGUES THAT RECEIVED A 2016 BONUS

73.9% OF WOMEN RECEIVED A BONUS

78.6% OF MEN RECEIVED A BONUS