



PADDYPOWER.

betfair

GENDER PAY GAP

2018 REPORT



PETER JACKSON

CHIEF EXECUTIVE OFFICER

“ Diversity & Inclusion have an important part to play in supporting the growth and sustainability of our business. I am proud of the progress we’ve made over the last 12 months, however there is much more to do, and our focus will continue to be on supporting the careers of the women we have in the business, as well as attracting more women into our business and providing opportunities for them to advance.

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DIVERSITY & INCLUSION AT PPB

Today 31% of our organisation is female, a 2-percentage point increase in 12 months.

The increase is a result of a focused strategy to attract the best diverse talent on the market. We've invested in this in several ways: gender neutral job descriptions, promoting the diverse talent at PPB today in our 'I am PPB campaign' to encourage more diverse talent to apply for roles, partnering with disruptive search firms who have a track record for attracting diverse candidates, ensuring that flexible working is discussed with prospective candidates at time of hire and mandating that our search partners provide balanced shortlists.

Attracting diverse candidates remains the foundation for improving gender diversity at all levels in the organisation. Over time having a stronger pipeline of females throughout the business, combined with development programmes to accelerate their progress, will improve the representation of females in senior roles.



SALLY CAIRNS

CHIEF PEOPLE OFFICER

“ During 2018 we stepped up our efforts to improve gender balance and increased the proportion of females in our workforce by 2-percentage points. However, eliminating the gender pay gap requires long-term commitment. In particular, it requires a material increase in women in senior roles. That is a key priority for us and many other businesses in the UK going forward.

WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference between the average earnings of men and women. It looks across all jobs at all levels within an organisation.

The gender pay gap is different from equal pay.

Equal pay is the legal obligation for employers to pay a man and a woman equal pay for the same or similar work.

A company can have a gender pay gap without breaching equal pay provisions. Our gender pay gap at **PPB** is not as a result of equal pay issues. We have a gender-neutral approach to determining pay for our roles at all levels and we regularly monitor this to ensure we continue to meet legal and moral obligations.



MEAN GENDER PAY GAP

The mean gender pay gap is the difference in the average hourly pay for women compared to men within a company for the month of April 2018.



MEDIAN GENDER PAY GAP

The median pay gap represents the middle point of a population. If you separately lined up all the women and men in a company, the median pay gap is the difference between the hourly pay rate for the middle woman compared to that of the middle man for the month of April 2018.



PROPORTION OF MALES AND FEMALES RECEIVING A BONUS

This is the percentage of men and women who received bonus pay in the 12 months leading up to the snapshot date of 5 April 2018.



PROPORTION OF MALES AND FEMALES BY PAY QUARTILE

Quartiles represent the pay rates from the lowest to the highest for our UK employees split into four equal sized groups, with the percentage of women and men in each quartile for the same pay period.

PADDY POWER BETFAIR (PPB) UK DATA

WHAT IS REQUIRED OF US?

PPB is required to disclose its gender pay gap for its UK employees on the UK Government's website. This data has now been published. The regulations require all employers with more than 250 employees to disclose their data for each employing entity with over 250 employees, separately. **PPB** in the UK is made up of various entities, with two main employers, with more than 250 employees: **Power Leisure Bookmakers Ltd.** (all Retail employees) ('**PLBL**') and **Betfair Ltd.** (non-Retail employees).

As we did last year, we have decided to report the data for the combined population, even though separate entity figures show more favourable results. We believe this provides the most transparent and representative view of our entire UK business. On the following pages, you can find the detailed breakdown of the UK reporting. We have also chosen to expand and report our analysis to include Ireland to understand whether there is any significant difference.

PPB UK COMBINED DATA

2017 DATA

27 %

MEAN PAY GAP 2017

11 %

MEDIAN PAY GAP 2017

71 %

MEAN BONUS GAP 2017

61 %

MEDIAN BONUS GAP 2017

2018 DATA

26 %

MEAN PAY GAP 2018

12 %

MEDIAN PAY GAP 2018

65 %

MEAN BONUS GAP 2018

59 %

MEDIAN BONUS GAP 2018

*Decimals have been rounded to the nearest whole number.

PROPORTION OF MEN AND WOMEN PAID A BONUS

91 % 89 %

Proportion of Men and Women paid a bonus in 2017

89 % 87 %

Proportion of Men and Women paid a bonus in 2018

POPULATION BY PAY QUARTILES

Quartiles represent the pay rates – from the lowest to the highest – for our UK employees split into four equal size groups, with the percentage of men and women in each quartiles.

2017 DATA

78 % 22 %

Upper Quartile 2017

61 % 39 %

Upper Middle Quartile 2017

55 % 45 %

Lower Middle Quartile 2017

48 % 52 %

Lower Quartile 2017

2018 DATA

77 % 23 %

Upper Quartile 2018

65 % 35 %

Upper Middle Quartile 2018



55 % 45 %

Lower Middle Quartile 2018

49 % 51 %

Lower Quartile 2018

PPB RESULTS 2018 - THE DETAIL

| PAY/BONUS GAP FIGURE REPRESENTATION | DATA REPORTED TO THE GOVERNMENT | | DATA REPORTED IN THIS DOCUMENT | |
|---|--|----------|--------------------------------|---------|
| | BETFAIR LTD | PLBL LTD | PPB UK | PPB IRL |
| MEAN GENDER PAY GAP | 13 % | 10 % | 26 % | 19 % |
| MEDIAN GENDER PAY GAP | 17 % | 6 % | 12 % | 8 % |
| MEAN GENDER BONUS GAP | 35 % | 30 % | 65 % | 66 % |
| MEDIAN GENDER BONUS GAP | 18 % | 30 % | 59 % | 55 % |
|  PROPORTION OF MALES AND FEMALES RECEIVING A BONUS | 88 % | 89 % | 89 % | 88 % |
| |  85 % | 87 % | 87 % | 91 % |
| PROPORTION OF MALES TO FEMALES IN THE TOP PAY QUARTILE | 86:14 | 68:32 | 77:23 | 70:30 |

INSIGHTS

GENDER PAY GAP DRIVERS

PAY

In summary, a higher number of women in lower paying roles in **PLBL** drives the overall pay gap for the combined UK workforce.

Our **26%** mean gender pay gap arises from a number of factors and reflects a consistent pattern seen across the UK economy:

- The most significant challenge we face is that we have fewer women than men in senior management roles and whilst the proportion of females to males in the upper quartile has improved by 1 percentage point to 23%, we will only begin to see a significant improvement in our gender pay gap once the ratio of women to men in the upper two quartiles increases by a higher % than that of the lower two quartiles.
- Due to the differences between retail and online businesses, we operate different organisational and pay structures relevant to each business. These are reflective of the market in which we operate. We regularly benchmark our pay across both our retail and online businesses to ensure that we remain competitive and pay our people fairly.
- We have a larger retail shop population than head office, and a much higher proportion of women in retail.

The numbers are broadly similar to the numbers we reported in 2017. There are no quick fixes and there is a lot more work to be done, but we are making progress.

BONUS

"Bonus" includes share based incentives and these are offered within the head office population where we have more men, and not in retail shops.

Our **65%** mean gender bonus gap is comparatively high and we have two main challenges:

- Bonus opportunity tends to increase with seniority, and we have a higher proportion of men to women in our most senior roles.
- Our Retail bonuses (where we have a far greater proportion of women) are structured differently to head office payments.

REDRESSING THE BALANCE

Whilst we have made progress on a number of key initiatives to attract, retain and develop diverse talent, it will take a number of years to close our gender pay gap.

Key Successes

In 2018, we increased our female hires from 29% to 39% through a number of initiatives;

Launching an external advertising campaign featuring our own staff re-creating their hobbies and interests outside of work to promote diversity.

Joining up with community organisations to improve our brand appeal and gain access to a diverse talent pool. We are a headline sponsor of "Girls in Tech", and we've



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MUM, FASHIONISTA
FOOTBALLER
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**I AM
SENIOR CUSTOMER
SERVICE AGENT
RUGBY PLAYER
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partnered with Stonewall on their diversity champions programme. In addition, we featured in Facebook's campaign **#shetalksgames** to encourage more women into the industry.

Promoting flexible working opportunities to staff and candidates. **65%** of recent hires have been hired on a flexible working arrangement. We have joined forces with organisations, such as **"2to3days"** to gain access to a diverse talent pool keen to work on a flexible basis.

In addition to attraction efforts, creating an inclusive culture where everyone can thrive is a top priority for us.

We surveyed all staff to understand more about their attitudes towards diversity and inclusion and staff told us that our focus on D&I has had a positive impact and they believe the leadership team have made D&I a visible strategic priority and this should continue.



WHAT ARE WE DOING IN 2019?

- Continuing to focus on attracting and hiring diverse talent through continued investment in our external advertising campaign “I am PPB”, community partnerships and challenging search partners to provide balanced shortlists for all roles.
- Making flexible working the norm, not the exception.
- Accelerating female career progression by providing diverse talent exposure to senior leaders through sponsorship opportunities.
- Building a culture of inclusivity by embedding inclusive behaviours at all levels of the organization and tracking this in our regular engagement surveys.

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Gender Pay Gap