



firstmilkTM

The Regenerative Co-op

Gender Pay Gap

April 2023

Enriching life everyday to secure the future

Owned by British family farms, we work together to produce the highest quality dairy products and we are united by a single commitment – to enrich life every day to secure the future.

Through the strong, collaborative relationships between our farmers, colleagues and partners, we know we can be regenerative – future-proofing our soil, farms, creameries and communities and making first-rate dairy products whilst we are at it.

Regeneration is a way of thinking. For us, it's about having a positive impact on the world we live in, whilst producing nutritious, tasty dairy products to feed a growing population. As a co-operative business, this starts with our farmers, who follow regenerative farming practices. But it is so much more than that.

Regenerative thinking extends throughout our business, through our colleagues and our external relationships, resulting in a shared commitment to nourishing the earth and future generations.

We are committed to building a diverse and inclusive workplace, that gives equal opportunities to all employees irrespective of gender.

Doing the right thing is at our core, and we work together every day to leave the world a better place. We're proud to be a Certified B Corporation, demonstrating how dairy can be a force for good.

Our values



Fairness & integrity

As a co-operative business we do what we say we are going to do and communicate transparently. We treat people fairly and this shapes everything from our strategic decision making to how we behave day to day.



Better every day

We are always looking to improve what we do. Good ideas can come from anyone and we are receptive to change.



Right first time

We always strive to do our best and deliver the quality and service that is expected of us. When things go wrong we deal with problems quickly.

Why do we create a gender pay gap report?

Whilst we are not legally bound to publish a report as we have fewer than 250 employees, we choose to report our information in line with our fairness and integrity value.

The gender pay gap is an equality measure that shows the difference in average earnings between women and men over a standard time period. The gender pay gap report is used to calculate the difference between the average earnings of men and women in our organisation, it does not measure equal pay. First Milk is committed to treating all male and female employees equally in their terms and conditions of employment including pay.

The information used to produce the reports is based on data as at 5 April 2023.



Calculations

A mean average:

For the purposes of this report, the mean pay gap is the difference between our total wage spend-per-female and our total wage spend-per-male. The number is calculated by taking the total hourly rates for each and dividing it by the number of males and females we employ.

A median average:

For the purposes of this report, the median pay gap is the difference in pay between the middle-ranking females and the middle-ranking males. If you place all the males and female working at First Milk into two lines in order of hourly rate, the median pay gap is the difference in hourly rate between the woman in the middle of her line and the man in the middle of his.

- A positive percentage figure reveals that typically, or overall, female employees have lower pay or bonuses than male employees.
- A negative percentage figure reveals that typically, or overall, male employees have lower pay or bonuses than female employees

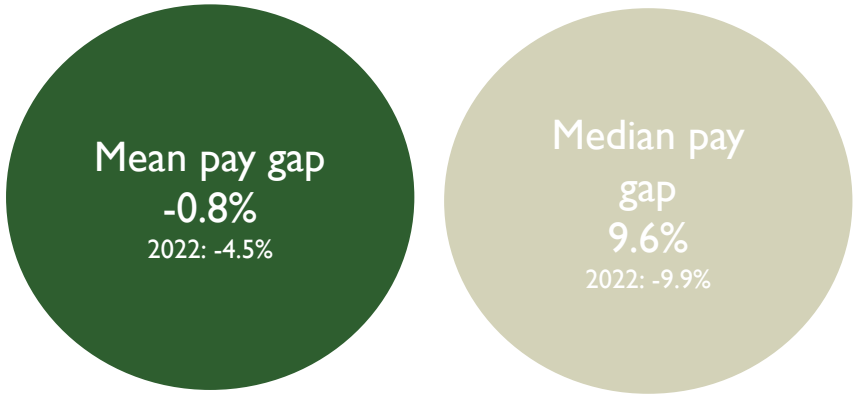
Our reporting is based on 221 employees, of which 76% are male and 24% are female.

The bonus calculations are taken from the 12 month period ending on the snapshot date of 5 April 2023. Only employees who received a bonus during the 12 month period ending on 5 April 2023 are included in these calculations

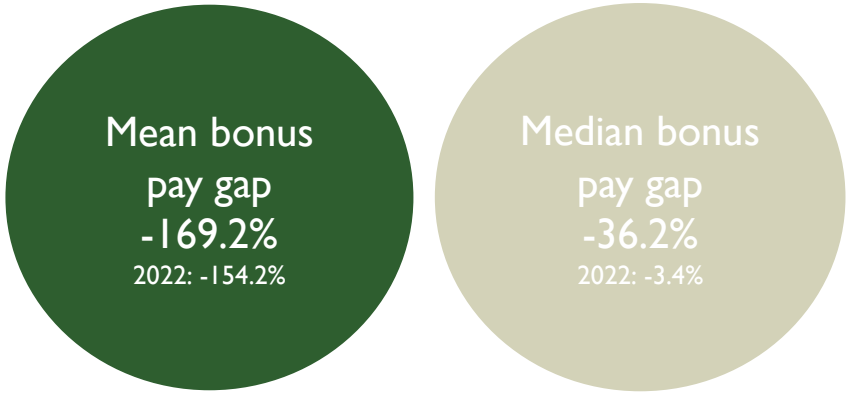


Our gender pay data

Gender Pay Gap



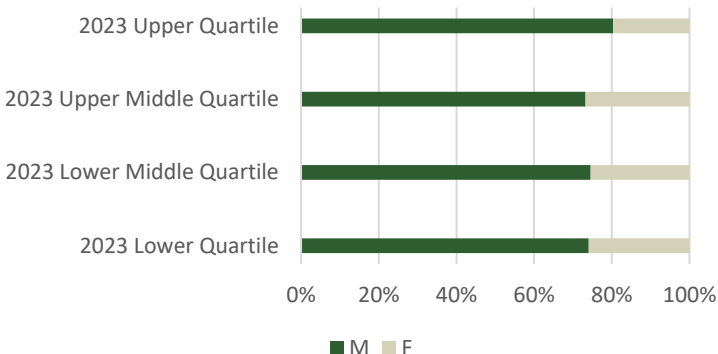
Bonus Pay Gap



Proportion of males & females receiving a bonus



Male to Female Proportion in each Quartile



Our gender pay gap

The median pay gap for colleagues across our business is 9.6%, meaning that males are paid, on average, 9.6% more per hour than their female colleagues. This is slightly above the UK median pay gap and also a swing from our median pay gap last year of -9.9%. It is important to note that this is a snapshot of our position as of 5 April 2023 to provide insight as per government guidance, and if we completed the gender pay gap today, it would likely be a different figure. Our ongoing efforts to become a more inclusive and diverse employer will continue regardless of our gender pay gap position.

The reason for the variance to a positive figure this year is that 67% of our 36 new colleagues in the last 12 months are male. As such, we have more males in First Milk than last year and, of the new females we do have, there was only one who sits in the upper quartile of pay. Whilst this could be seen as a less positive gender pay gap, this level of median pay gap is not unusual for our operating environment and the wider manufacturing sector where a higher proportion of colleagues are typically male. In First Milk, 76% of all colleagues are male.

Our bonus pay gap shows that on average women earn 36.2% more pay per hour than men. Whilst our bonus results may seem to favour female bonus pay, it is important to note that our CEO is female and has a higher bonus entitlement to others, which influences our overall picture.

Our company bonus is based on business and individual KPIs and is paid to all eligible colleagues when the targets are met. The colleagues who have not received a bonus have either not been employed at the time the bonus was paid out, or had not been employed in the business long enough to qualify for a bonus. There were 47 colleagues who did not receive a bonus during the bonus period.



Ongoing activity

As part of our ongoing efforts to become a more inclusive and diverse employer, and to uphold our core values of fairness and integrity, we have implemented a number of initiatives which also reinforce our commitment to fostering an inclusive work environment. We are also hopeful these activities will encourage more females to join First Milk in the future to more evenly address our gender balance.

Family Friendly Pay

The majority of colleagues now receive enhanced family friendly leave.

Women in Leadership

We have partnered with Maguire Training to deliver a programme to create empowering workplaces in which our female leaders can assess their strengths, and values and develop their brand whilst forging a career pathway through targeted learning, support and networking.

Flexible Working

Our flexible working hours policy provides increased scope for our employees to be empowered to manage work and personal commitments over the start and end times of their working day.

Wellbeing

In partnership with Mates in Mind, we continue to provide 'Start the Conversation' training which raises awareness and promotes the development of positive mental wellbeing at work. We also continued with our Employee Assistance Programme through BUPA and the development of our Mental Health First Aid team to ensure representation across the business.

Declaration

We confirm that First Milk Limited's gender pay gap calculations are accurate and meet the requirements of the regulations, and that the methodology provided in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 has been applied correctly.

Shelagh Hancock

Shelagh Hancock
Chief Executive

