

Arnott's Australia

Gender Pay Gap Report 2023



Fostering equality, diversity and sustainability is one of our four core values at The Arnott's Group.

We value the contribution of all genders equally across our workplaces and remain committed to shaping inclusive moments for all and fostering work environments where everyone is welcome, safe and has an equal opportunity to succeed.

Pay equity is important and we have an ongoing gender equity strategy at The Arnott's Group. While the gender pay gap is a proxy for gender equality, it's our job to tackle gender equity broadly and our aim, when sharing this information, is to describe our holistic commitment to gender equity.

Our gender pay gap in Australia is 16.6 per cent which is below both the median Australian and manufacturing gender pay gaps. Our pay gap has decreased since the last reporting period, which shows we are on the right path.

The gender pay gap is not to be confused with women and men being paid the same for the same, or comparable, job. At a 'like for like' role level in our salaried workforce, we have a pay gap of 1.5 per cent.

Our front-line team members are paid rates in accordance with legislative frameworks including Awards and Enterprise Agreements and our salaried workforce compensation is determined based on external benchmarking for comparable roles.

We still have some broader societal trends reflected in our workforce and we have more to do to increase female representation in our manufacturing and technical trade roles, in our senior leadership positions and on our Board. We are also still unbalanced on gender when it comes to roles that have overtime and penalty rates attached.

To continue to reduce our gender pay gap:

- we have joined the National Association of Women in Operations, to ensure we're part of the broader industry dialogue on achieving gender equity;
- we are developing a three-year gender equity roadmap by August 2024;
- we have continued to conduct annual pay analysis to determine where areas of challenge exist.

The gender pay gap across Australian businesses, as shown by The Workplace Gender Equality Agency (WGEA) reports released this year, holds us all to account, and encourage us to continue our efforts on gender equity.

George Zoghbi
Chief Executive Officer,
The Arnott's Group



Fostering equality, diversity & sustainability



High performance, with integrity



Balancing decisions from our head & heart



Delighting our customers every time



WE STAND FOR

WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference in earnings between women and men, expressed as a percentage.

It is not to be confused with women and men being paid the same for the same, or comparable, job. This is equal pay and has been a legal requirement in Australia since 1969. Equal pay is embedded into all our remuneration practices and is constantly monitored internally.

The gender pay gap calculation uses total remuneration, including superannuation, overtime, bonuses and other additional payments and includes full-time, part-time and casual employees – converted into annualised full-time equivalent earnings.

WGEA's latest reports uses median data from 31 March 2023 to calculate gender pay gaps.

The median gender pay gap is the difference between the pay of the middle women and middle man, when all colleagues are listed from the highest to the lowest paid.

The calculations do not take into consideration the differences in roles performed by men and women nor do they take into consideration the hours worked by men versus women across the organisation. These two factors significantly impact our gender pay gap.

To find out more about how gender pay gaps are calculated and the difference between the gender pay gap and equal pay, visit wgea.gov.au.

MEDIAN PAY GAP



What is workplace gender equality?

As outlined by WGEA, the aim of gender equality in the workplace is to achieve broadly equal opportunities and outcomes for women and men, not necessarily outcomes that are exactly the same for all.

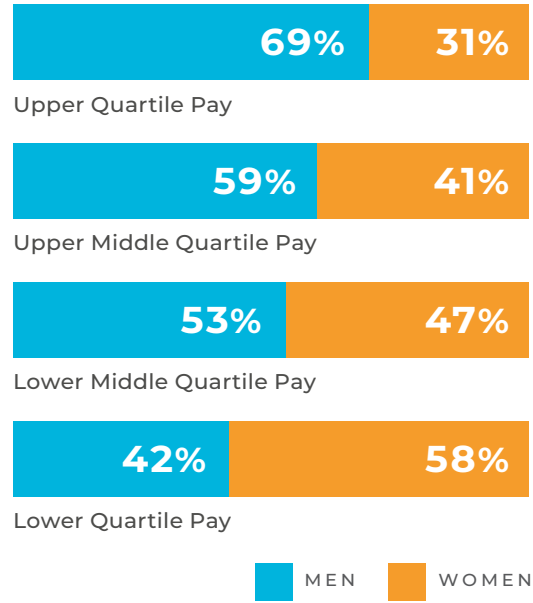
Workplace gender equality will be achieved when people are able to access and enjoy equal rewards, resources and opportunities regardless of gender.

OUR DATA (as of 31 March 2023)

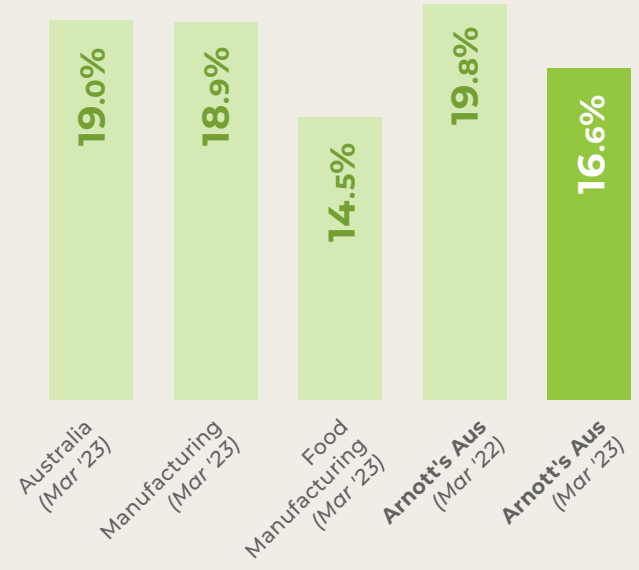


Our gender pay gap decreased since the last reporting period

Total remuneration per quartile



Median total remuneration gender pay gap

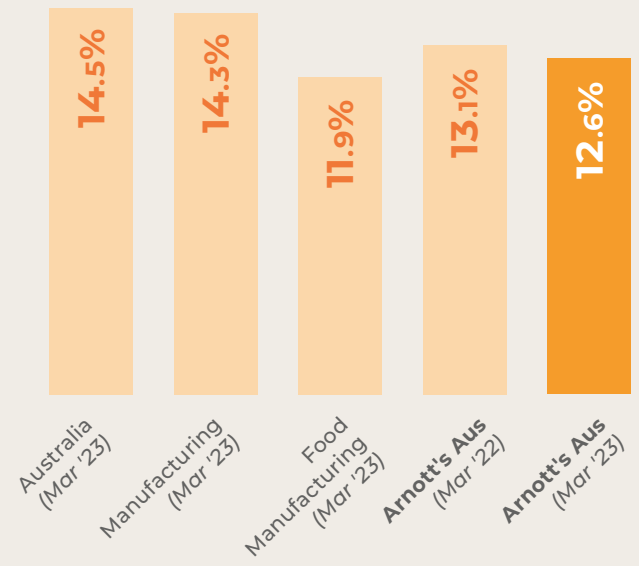


As of March 2023, our women represented:

	Australia	Manufacturing	Food Manufacturing	Arnott's Aus (Mar '22)	Arnott's Aus (Mar '23)
Women	51%	28%	35%	45%	44%
Women key mgt personnel*	37%	32%	30%	43%	43%
Women managers	42%	27%	32%	44%	46%
Board positions	34%	26%	24%	14%	14%
Promotions	47%	33%	41%	58%	63%

* ALT in Aus excluding the CEO | * all salary components including, superannuation, allowances, bonuses & overtime.

Median base salary gender pay gap



We recognise that our current workforce composition has been influenced by broader societal trends which have an impact on our gender pay gap.

Our median gender pay gap has decreased over the last reporting period and is below the Australian and manufacturing median and the representation of women in our workforce is higher than both the manufacturing and food product manufacturing averages for composition numbers, as shared by WGEA, which indicates we are on the right path.

We know that action across all areas of a more distributed balance of genders across all of the areas mentioned will improve our overall gender pay gap.



OUR PLANS & PROGRESS

To ensure we are creating an environment where our representation of women in underrepresented areas continues to grow, we have three focus areas, each with a number of initiatives designed to support women in the workplace. This includes our approach to inclusion and belonging, attracting, retaining and developing talent and flexibility and carers.

OUR FOCUS AREAS



1 Inclusion & Belonging



2 Attracting, Retaining & Developing Talent



3 Flexibility & Carers

1 Inclusion & Belonging

We have established a Gender Equity Impact Group, chaired by our Chief Customer Officer Michelle Foley. This complements our other two Connect Impact Groups for Pride and First Nations. The vision of our Gender Equity Impact Group is to enable equitable attraction, retention, development and remuneration of all genders.

We have introduced a gender affirmation policy to support our gender diverse employees and affirm their gender at work.

We will continue to mark important calendar moments to raise awareness of the importance of gender equality. International Women's Day is a key milestone to celebrate and support the talented women we have in and around our business.

"As the first female Chief Customer Officer in The Group's 158-year history, I'm acutely aware of the need for diverse voices in leadership. My passion extends beyond representation in non-traditional business areas for both men and women, I believe true progress lies in fostering a culture where everyone feels empowered to reach their full potential. To this end, I'm proud to lead our Gender Equity Impact Group, a collaborative group dedicated to equitable attraction, retention, development and remuneration of all genders."



Michelle Foley
Chief Customer Officer

2024 FOCUS: We are developing a three-year gender equity roadmap by August 2024.

OUR PLANS & PROGRESS

At Arnott's, we provide an equal opportunity for everyone to thrive and have policies and practices in place to ensure we pay women and men equally when they are performing the same or comparable role. These practices include:

OUR FOCUS AREAS



1 Inclusion & Belonging



2 Attracting, Retaining & Developing Talent



3 Flexibility & Carers

2 Attracting, Retaining & Developing Talent

Our front-line team members are paid rates in accordance with legislative frameworks including Awards and Enterprise Agreements.

Our salaried workforce compensation is determined based on external benchmarking for comparable roles, leveraging our internal grading framework.

We have a pay-for-performance strategy and we regularly review for bias in performance and pay outcomes.

We conduct an annual pay analysis across the salaried organisation to determine if and where any areas of challenge exist.

We conduct gender analysis on our annual sentiment survey results to identify any hot spot areas for different genders.

We have a focus on gender balanced hiring to ensure a diverse set of candidates, whenever possible, are presented at all stages of the process.

In collaboration with an external partner, we completed an inclusion review of our Talent Acquisition process and identified improvement opportunities in our recruitment communications.

We ensure the advertising of our internal vacancies to our team to encourage promotions from within.

“Becoming a NAWO (National Association of Women in Operations) member highlights our commitment towards becoming a more gender diverse supply chain team at all levels. I’m excited for our 100 Arnott’s Group representatives to connect with organisations that have a shared ambition for gender equality as we continue to learn, collaborate and inspire action. This partnership complements our Supply Chain stream of our ‘Gender Equity Impact Group’ which will ideate and execute initiatives that are targeted to closing the gender pay gap across the Supply Chain function.”



Rachael Miller
Quality Director

OUR PLANS & PROGRESS

For employees of all genders, flexibility is the cornerstone of support in the workplace. At The Arnott's Group, we provide both formal and informal flexibility through various initiatives.

OUR FOCUS AREAS



1 Inclusion & Belonging



2 Attracting, Retaining & Developing Talent



3 Flexibility & Carers

3 Flexibility & Carers

We provide 12 weeks of paid parental leave, regardless of gender, which includes superannuation contributions.

Whether it's rostered days off for our front line team members or lifestyle leave for our salaried team members, we provide extra days off in recognition of the flexibility we all require.

Our intranet – The Pantry – has a portal for Parents @ Arnott's, which is a centralised source of resources for carers including parental leave checklists and a new parent support group.

We provide the option of condensed work weeks, flexible start and finish times, part time work and flexible locations and access to purchase additional leave through salary sacrificing for our salaried workers.

Our wellbeing partner – Sonder – is available to all employees and their families, 24/7, for health, wellbeing and safety support.

"I've welcomed the arrival of two beautiful baby girls during my career at The Arnott's Group and each time I've taken the opportunity to access the three-month parental leave. This dedicated time has allowed for an unmatched bond with my girls and a deeper appreciation for the demands of caring responsibilities, which has ultimately enabled more balance across our family. My months away from work not only allowed for various development opportunities across the team but also allowed me to return with a fresh set of eyes to critically assess our projects and processes."



Adrian Yik
National Account Manager

The scope of this Gender Pay Gap Report covers our wholly owned businesses in Australia.

QUESTIONS?

Please address any questions, comments or feedback to sustainability@arnotts.com

