



Portals Paper

Gender pay gap information

In line with the Equality Act 2010 (Gender Pay Gap Information) regulations 2017, we have carried out six calculations that show the difference between the average earnings of men and women in our organisation.

As at 5 April 2022 ('the snapshot date'), Portals Paper Limited ("Portals") was starting year 4 of being a standalone business following the sale of the paper business by De La Rue in 2018.

It should be acknowledged that, unfortunately in July 2022, Portals announced closure of the Overton site resulting in redundancies for the majority of employees based at Overton Mill. This was due to the unprecedented global events that had a major impact on Overton's viability and also price pressure in the market verses customer expectations. The Bathford site has stayed open as planned, continues to run as has a sustainable future within the security paper market. This has meant that some employees have transferred from Overton Mill to Bathford Mill so central office proceedings can continue at Bathford and also some vacancies at Bathford were filled internally by those redundant at Overton.

Following this huge change, the headcount for Portals is currently under 250 employees, however, this report focuses on the previous year.

Reflections on the year April 21 – April 22

Following the pandemic, even though market conditions were still tough due to overcapacity, our external recruitment at both sites increased. This included backfilling headcount gaps, recruiting trainees and recruiting people on

Fixed Term Contracts in specific roles where required.

When we last reported, our % of female headcount had reduced which we believe was impacted hugely by our overall headcount reducing and recruitment being limited. Our previous target to increase the percentage of new recruits who are women to 35% by 2022 had therefore become unfeasible due to the external impact of the pandemic and how this affected our recruitment drive. However, we are still committed to monitoring the % of female recruits and very conscious that this should be based on merit and not involve positive discrimination.

Our female headcount % at April 2021 was 14.3% and in 2022 it was 13.8%, therefore reducing by 0.5%.

Context

As a manufacturing organisation, Portals is typical of the paper industry and of wider manufacturing, in attracting a greater proportion of men to operational roles, which are mostly shift based.

There was no annual salary increase applied in July 2021. Instead it was agreed with the onsite, regional and national Trade Union representatives that there would be a 3% annual salary increase in April 2022 for every employee, collective and non-collective.

In 2022, the Office of National Statistics reported the national average gender pay gap was 8.3% among all full-time employees which increased from 7.7% (Office National Statistics) Portals mean gender pay gap is 9.3% which has also



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increased since the previous year and is now, unfortunately, more than the national average.

A key cause of this gap is that our employees who do shift work, predominantly men working in production and engineering, are eligible for a shift premium which inflates their pay rate artificially as compensation for the unsociable nature of shift working. This is further compounded by the fact that we have more women employed in entry level roles and day roles which are not eligible for a shift premium and are therefore lower paid.

When reviewing the new starters between the previous snapshot date and the current snapshot date, 20% of these were females; the vacancies they filled varied from central office/desk-based roles, some production-based roles and even some female trainees. However, the gap has seen increase due to most production-based being filled by males and the new roles within production and engineering also being filled by males.

Some managers received a company bonus in June 2021 based on their objectives and in line with their job band and in July 2021 all employees received a COVID related bonus depending on how often they were onsite during the pandemic. Other bonuses paid this year were made up of 'refer a friend' payments, 'long service' awards and 'ex gratia' payments. This had led to a 4.9% gap favourable to men, however as all employees received a COVID bonus, it can be assumed that '% Male employees who received a bonus' would be higher due to generally more men than women being employed at Portals for reasons mentioned above.

Reducing the Gap

Portals recognises that wider UK social and cultural influences mean that manufacturing and engineering roles are less likely to attract

female applicants and there is no quick and easy way to eliminate the gap. However, Portals is committed to creating a more diverse workforce and this is fully endorsed by Epiris, the major investor in the business, as part of its Environmental Social and Governance objectives.

An aim following the pandemic was to focus even more on key continuous improvement initiatives that we saw at the start of the 2021/2022 period, however, this has taken longer due to the much-needed focus on the daily operations at our sites following the impact of the pandemic. Also, there was much-needed review on hybrid working with how to get employees who predominately worked at home, back to the office in some capacity. A huge focus of this period was also to review Overton's viability for the future.

Even though Portals is now a single site with a much reduced headcount, we still believe that building on our diversity and inclusion policies and initiatives is incredibly important to our reputation as well as raising more awareness of the culture change needed to make our manufacturing work environment one that is attractive to a diverse range of candidates.

We remain confident that men and women are paid equally for roles of equivalent value. Our operational roles are graded, with all job holders at each grade being paid the same pay rate. We have robust selection methodology within our recruitment and succession planning processes to ensure we promote and appoint on capability and not on gender, whilst encouraging women and men to develop their careers within the business. We hope to engage more with local colleges for our apprenticeships and local universities for our student placement schemes to target both male and female applicants, which will be new to Bathford Paper Mill.



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We can confirm that the data published in this report satisfies the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Ross Holliday
Chief Executive Officer
March 2023



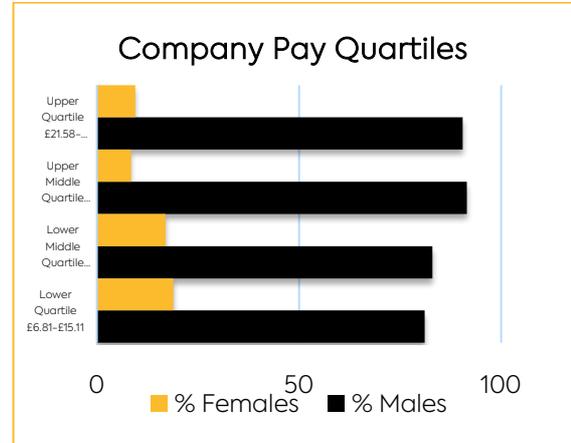
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Portals' Gender Pay Gap Data

The statistics below were taken at the snapshot date. We are reporting on our UK-based employees which as at the snapshot date had a headcount of 434.

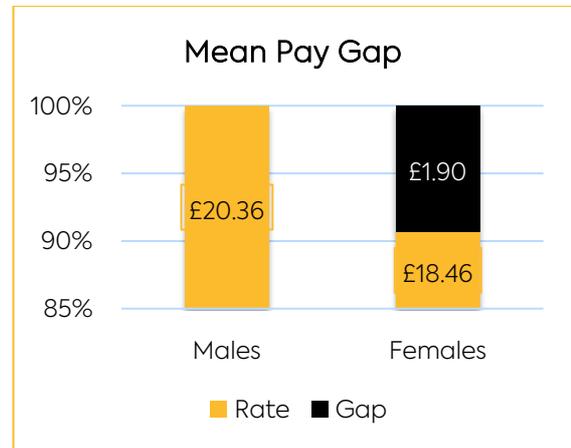
On the snapshot date, Portals had:

- One female executive director (33% of the Board)
- Two female executive leadership team members (25% of the team)
- 86% of employees were male, 14% female



Pay gap information

Pay gap information	
Mean gender pay gap	9.3%
Median gender pay gap	9.2%
% Male employees who received a bonus	92.6%
% Female employees who received a bonus	87.7%
Median bonus gap	0%
Mean bonus gap	-68.8%



Proportion of gender in each pay quartile

	Male	Female
Lower quartile	81.1%	18.9%
Lower middle quartile	83%	17%
Upper middle quartile	91.5%	8.5%
Upper quartile	90.5%	9.5%

