



Macfarlane Group

Gender Pay Gap Report – 2018



Statement

Macfarlane Group PLC is made up of four legal entities, Macfarlane Group UK Ltd, Macfarlane Labels, Macfarlane Group PLC and Nottingham Recycling Ltd.

As in 2017, whilst Macfarlane Group UK Ltd is the only legal entity of Macfarlane Group PLC that is required to formally report under The Gender Pay Reporting Regulations 2017, the company feel it is ethical to voluntarily outline and publish on the company website the Gender Pay Gap for the organisation as a whole.

As with the report published for Macfarlane Group UK Ltd, we will use the information to assess the levels of gender equality in our workplace and the balance of male and female employees at different levels. Suitable steps will be taken, if required and where possible, to minimise and address any inequities going forward.

I can confirm that the data reported is accurate and in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Peter D Atkinson
Chief Executive Officer

Introduction

What is required?

The gender pay gap regulations provide a wide definition of who should be included when collating the pay data for the calculations. Macfarlane Group PLC includes all employees who have either been issued with a contract of employment by Macfarlane Group PLC or by an acquisition prior to the point of transfer.

There are six calculations that have been carried out and independently audited by Croner Reward:

- a) The mean pay gap;
- b) The median pay gap;
- c) The proportion of male and female employees in each salary quartile band;
- d) The mean bonus pay gap;
- e) The median bonus pay gap; and
- f) The proportion of males and females receiving a bonus payment.

The snapshot date used for the data in this report is 5th April 2018.

As outlined in the Macfarlane Group UK Ltd report, to ensure the data is relevant to Macfarlane only, any bonus payments relevant to an acquisition prior to the date of transfer, and not allocated to Macfarlane Group PLC, yet paid within the 12 month period prior to the snapshot date, have been excluded from the data.

Macfarlane Group - Gender Pay Data (5th April 2018)

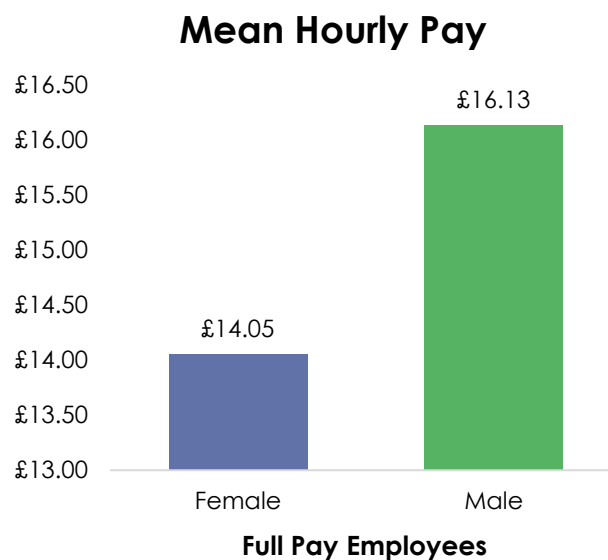
Workforce Information – Total Employees
(Relevant and Full Pay Relevant Employees)

Macfarlane Group Employees		
Gender	Relevant Employees	Full Pay Relevant Employees
Female	315	295
Male	558	539
Total	873	834

The Mean Pay Gap

The mean pay gap is **12.9%**

Mean Hourly Pay Differences	
Full Pay Employees	
Female	£14.05
Male	£16.13
Pay Gap	12.9%



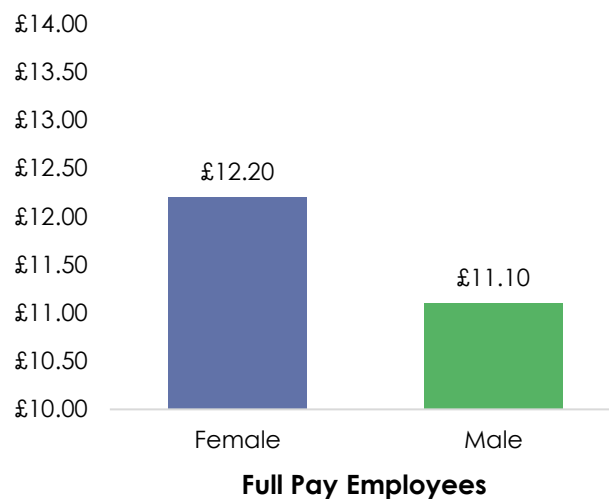
03/04/19

The Median Pay Gap

The median pay gap is **-9.9%**

Median Hourly Pay Differences	
Full Pay Employees	
Female	£12.20
Male	£11.10
Pay Gap	-9.9%

Median Hourly Pay



The proportion of male and female employees in each salary quartile band.

Total Distribution of male and female employees by hourly pay quartile

	Lower		Low Middle		Upper Middle		Upper	
	Number	%	Number	%	Number	%	Number	%
Female	56	27%	73	35%	99	48%	67	32%
Male	154	73%	135	65%	109	52%	141	68%

Percentages rounded.

03/04/19

Bonus Payments

Macfarlane Group offers bonus schemes to a wide section of the workforce, these bonus schemes are predominantly relevant to employees of Macfarlane Packaging and Macfarlane Group PLC. With the exception of individuals employed in a sales role bonuses are paid on an annual basis.

The Mean Bonus Pay Gap

The mean bonus pay gap is **8.7%**

Mean Bonus Differences

	Mean Bonus	Number receiving a Bonus
Female	£3,054.32	165
Male	£3,345.97	231
Pay Gap	8.7%	

The Median Bonus Pay Gap

The median bonus pay gap is **-34%**

Median Bonus Differences

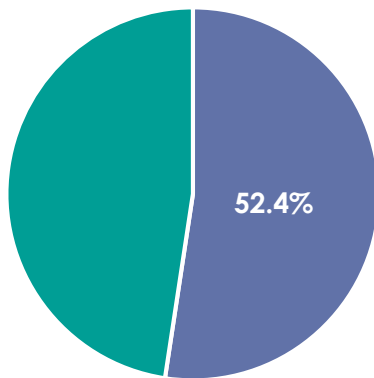
	Mean Bonus	Number receiving a Bonus
Female	£1,474.00	165
Male	£1,100.00	231
Pay Gap	-34%	

Percentage of males and females receiving a bonus.

The proportion of males receiving a bonus payment is **41.4%**

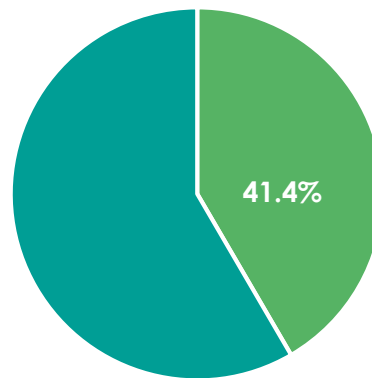
The proportion of females receiving a bonus payment is **52.4%**

Females



■ Received a bonus ■ Did not receive a bonus

Males



■ Received a bonus ■ Did not receive a bonus



Comments

Macfarlane Group PLC, like Macfarlane Group UK Ltd, reports a female pay gap in regard to the median pay and median bonus pay calculations, both showing a minus percentage. The increase in the median pay gap is predominantly a result of an increase in the male workforce following the acquisition of Greenwoods Stock Boxes.

These results do however change from a female to male pay gap when reviewing the mean pay gap information. As in 2017, this is reflective of the demographics of the Senior Executive team and those employed in Macfarlane Labels. As an example, within Macfarlane Labels, a Printer, as a skilled professional, not only receives a basic pay, it is also one of the only functions across all the legal entities to operate a full shift system, offering an uplift of up to 40% on their hourly rate. This has an impact on the overall Group results.

Recommendations

The recommendations outlined in the Macfarlane Group UK Ltd Report are relevant to Macfarlane Group PLC. Macfarlane Group PLC have clear processes that ensure pay increases and structures are free from gender bias. Recruitment practices are structured to ensure that positions both internal and external are offered based on skills, knowledge and capability. However, it is recognised that whilst work has been completed to improve our ability to attract a more diverse workforce this objective needs to continue, specifically focusing on the functions of logistics and production. In addition, where practical and required, the proactive practices utilised by Macfarlane Group PLC will be adopted by acquisitions.

References

CIPD, 2017 "*Gender pay gap Guide*" 30th March 2017. Chartered Institute of Personnel Development.

Equality and Human Rights Commission (EHRC) website

Gov.uk – Gender Pay Gap Guidance website.

ACAS - Managing Gender Pay Reporting February 2019.