

**Macfarlane Group
UK Limited**

**Gender Pay Gap
Report – 2020**



Statement

At Macfarlane Group UK Limited (Company number 01630389) we are focused on the continued development of an open, diverse and equitable working environment with DEI (Diversity, Equity & Inclusion) high on our strategy agenda.

The Gender Pay Gap Report supports the identification of any pay inequalities and once calculated then externally audited we review the information to assess and monitor the levels of gender pay equality in our workplace. The balance of males and females employed at different levels is also considered as part of this report.

Once the data is reviewed, actions are put in place to support greater parity, particularly with regards to our traditionally male bias sectors such as warehousing and production. During the reporting period this included targeted recruitment strategies, proactive succession planning and the introduction of apprenticeship and training programmes enabling individuals to change careers.

It is worth noting that the snapshot date for The Gender Pay Gap 2020 was in a period of furlough (Coronavirus Job Retention Scheme), and as such the number of individuals included as Full Pay Relevant Employees was lower than in previous years.

This report has been produced for the legal entity Macfarlane Group UK Limited, which incorporates Macfarlane Packaging, Macfarlane Design and Manufacture, Network Packaging, Greenwoods Stock Boxes and any other acquisitions that were part of Macfarlane Group UK Limited on 5th April 2020.

The Company internally collated the Gender Pay Gap Report, this has been externally audited by Menzies Law. The snapshot date used within this report is 5th April 2020.

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

With over 250 employees Macfarlane Group UK Limited is required to report its Gender Pay Gap. All individuals employed on either a contract of employment issued by Macfarlane Group UK Limited or by an acquisition at the point of transfer are included in the scope of this report.

The following six calculations have been derived from the data collated. The calculations have been independently audited by Menzies Law.

The mean pay gap;

The median pay gap;

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

The mean bonus pay gap;

The median bonus pay gap; and

The proportion of males and females receiving a bonus payment.

The snapshot date used for the data in this report is 5th April 2020.



Macfarlane Group UK Limited Gender Pay Data (5th April 2020)

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

Macfarlane Group UK Limited Employees		
Gender	Relevant Employees	Full Pay Relevant Employees
Female	299	185
Male	510	343
Total	809	528

The Mean Pay Gap

The mean pay gap is 0%

Hourly Pay



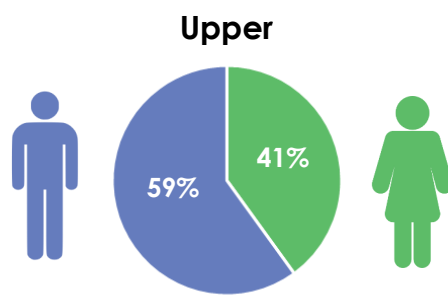
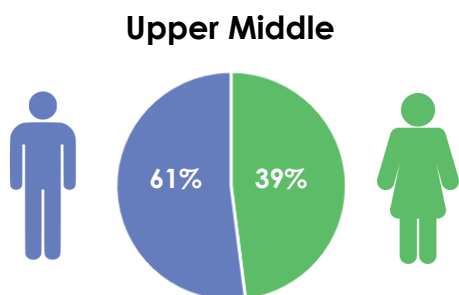
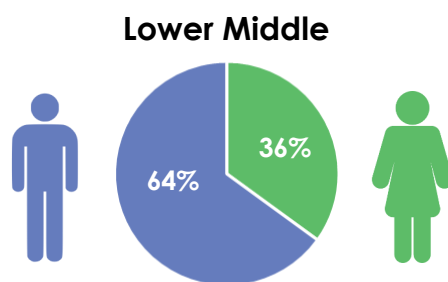
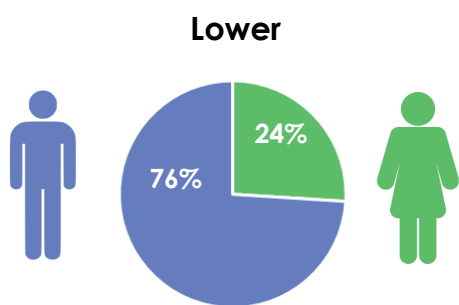
The Median Pay Gap

The median pay gap is -10.9%

Hourly Pay



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



Bonus Payments

Macfarlane Packaging Distribution is the largest employer of Macfarlane Group UK Limited employing over 80% of the total workforce, each of whom have the ability to earn a bonus. In the Bonus Pay Gap reporting period over 50% of employees received a bonus payment.

Macfarlane have a minus Bonus Pay Gap, which is reflective of a reward structure where the Sales teams remuneration package includes a competitive, results driven incentive scheme with high earnings potential. With the Sales team comprising of more female employees than males, when calculating bonus payments the higher number of females in this category does impact the result.

The Mean Bonus Pay Gap

The mean pay gap is **-38.9 %**

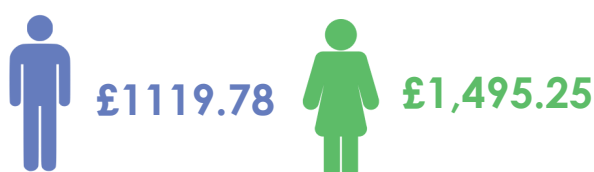
Bonus Pay



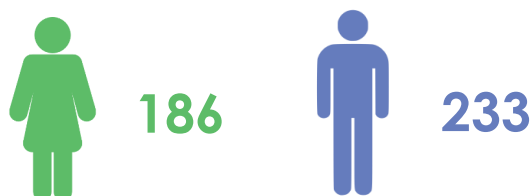
The Median Bonus Pay Gap

The median pay gap is **-33.5%**

Bonus Pay



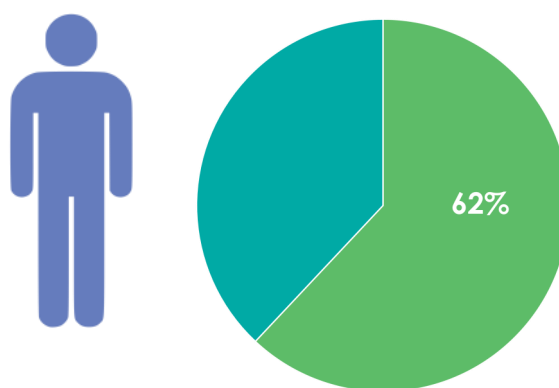
Proportion of males and females receiving a bonus



Female Staff



Male Staff



Received a bonus Did not receive a bonus

Received a bonus Did not receive a bonus



Comments

The Gender Pay Gap Report 2020 was influenced by the Coronavirus Job Retention Scheme with regards to the number of individuals classified as Full Pay Relevant Employees and therefore a lower number of employees being included in some of the calculations i.e. Mean and Median Pay Gap, than in previous years. The impact of this was, when reviewing the data against previous years, very small with the 2019 report confirming a Mean Pay Gap of - 0.2% against the 2020 Mean Pay Gap of 0.0%.

The 2020 report, as in previous years, highlights particularly with regards to the Bonus Pay Gap that the higher proportion of females employed in a specific area, in this case Sales, influences the result. Whilst Macfarlane have a minus Bonus Pay Gap in basic numbers more males received a bonus in the period than females. With our Warehouse and Production departments reporting a higher number of male employees than female, this created a lower average bonus figure per male employee as these functions tend to have a different reward structure with overtime and shift payments being common.

Recommendations

With clear procedures and training in place to ensure that the decisions made regarding the reward structure, pay and career enhancement are free from gender bias, Macfarlane has a fair framework for equal pay arrangements. However, it is recognised that the diversity of our workforce requires continued development and this is key part of our strategic agenda.



References

Equality and Human Rights Commission (EHRC) website

Gov.uk – Gender Pay Gap Guidance website.

ACAS - Managing Gender Pay Reporting February 2019.

